

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub F)

SUBJECT: SOLO
IS - C

DATE: 1/5/68

Re Chicago letter dated 12/1/67.

Set forth below is an accounting of Solo Funds and Reserve Funds Transactions during December, 1967:

Balance of Funds on Hand,
December 1, 1967

| | |
|----------------------|-----------------|
| <u>Solo Funds</u> | \$123,711.35 |
| <u>Reserve Funds</u> | <u>1,143.61</u> |
| Total Funds | \$124,854.96 |

Additions

Solo Funds

Added to Solo funds during December, 1966, this amount which is balance of funds received from Communist Party of the Soviet Union on 24th Solo Mission as reimbursement to Communist Party, USA for fares of guests who travelled to USSR during 1967

\$ 18,792.90

Total Solo
Funds

\$146,647.86

2 - Bureau (RM)

2 - New York (RM)

1 - 100-128861 (CP, USA - Reserve Funds)

1 - 100-134637 (SOLO)

1 - Chicago

WAB:mes

(5)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

89 JAN 12 1968

CG 134-46 Sub F

Reserve Funds

None

| | |
|---------------------|--------------|
| Total Reserve Funds | \$ 1,143.61 |
| Total All Funds | \$143,647.86 |

Disbursements

Solo Funds

| | |
|--|-----------|
| On December 7, 1967, to GUS HALL for incidental expenses | \$ 500.00 |
|--|-----------|

| | |
|---|-----------|
| On December 28, 1967, to CG 5824-S* as reimbursement for out-of-pocket expenditures on October 17-18, 1967, for purchase of gifts for communist leaders in Moscow and purchase of Polaroid camera, film and flashbulbs for HALL's use during trip to Moscow | \$ 306.00 |
|---|-----------|

| | |
|--|-----------|
| On December 28, 1967, to CG 5824-S* as reimbursement for out-of-pocket expenditures during period December 13-22, 1967, for purchase of gifts, etc., on behalf of GUS HALL, HENRY WINSTON and their families | \$ 871.52 |
|--|-----------|

| | |
|-------|-------------|
| Total | \$ 1,677.52 |
|-------|-------------|

CG 134-46 Sub F

Reserve Funds

None -----

Balance on Hand as of
January 1, 1968

Solo Funds \$140,826.73

Reserve Funds \$ 1,143.61

Total Funds on Hand \$141,970.34

Location of Funds - Chicago Office Territory

Solo Funds

Maintained by Chicago Office
in safety deposit box #C1362,
LaSalle National Bank, Chicago,
Illinois, with access limited
to SAC and ASAC \$110,766.55

Maintained by CG 5824-S* in
safe in his office at Arisco
Associates, Incorporated,
Suite 918, 25 East Washington
Street, Chicago, Illinois \$ 20,060.18

Maintained in Arisco
Associates, Incorporated
checking account at Michigan
Avenue National Bank, Chicago,
Illinois, with access by
[redacted] and CG 5824-S* \$ 5,000.00

b7D

CG 134-46 Sub F

Maintained in Arisco
Associates, Incorporated
checking account at First
National Bank of
Lincolnwood, Lincolnwood,
Illinois, with access by
[redacted] and CG 5824-S*

\$ 5,000.00

b7D

Reserve Funds

Maintained in safety deposit
box #1349 at Mid-America
National Bank, Chicago,
Illinois, in the names of
HAROLD M. JULES (CG 5824-S*)
and JACK BROOKS (NY 694-S*)
with power of attorney to
enter box in name of GENKA
JULES (CG 6653-S)

\$ 1,143.61

Total Funds on Hand

\$141,970.34

ROUTE IN ENVELOPE

1/11/68.

airtel

1 - Mr. R. C. Putnam

To: SAC, New York (100-134637)

From: Director, FBI (100-428091) *6685*

SOLO
INTERNAL SECURITY - C

REC-28

Reurtels 1/8 and 9/68 regarding message for Gus Hall, General Secretary, Communist Party, USA, from [redacted] relating to alleged plans for invasion of North Vietnam.

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This will confirm instructions given Supervisor Thornton Wood of your office by Section Chief C. D. Brennan 1/10/68. Authority is granted to transmit message Hall instructed CG 5824-S* to send to the Soviets through Solo apparatus.

Every effort must be made to have CG 5824-S* identify the "diplomat of one of our allies" who allegedly furnished this information to [redacted] is expected to identify this individual to Gus Hall personally during the course of the Communist Party, USA, National Committee meeting scheduled for this weekend.

b6
b7C

pen
RCP:cst
(4) *cst*

B. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____



10
79 JAN 12 1968

MAIL ROOM ☒ TELETYPE UNIT ☐

VIA TELETYPE
JAN 9 1968
ENCIPHERED

WA ----13----

FBI NEW YORK

7:04 PM URGENT 1-9-68 AWS

TO DIRECTOR 100-428091

ATTENTION DOMESTIC INTELLIGENCE DIVISION
FROM NEW YORK 100-134637

SOLO, IS-C.

| | |
|--------------|-------|
| Mr. Tolson | _____ |
| Mr. DeLoach | _____ |
| Mr. Mohr | _____ |
| Mr. Bishop | _____ |
| Mr. Casper | _____ |
| Mr. Callahan | _____ |
| Mr. Conrad | _____ |
| Mr. Felt | _____ |
| Mr. Gale | _____ |
| Mr. Rosen | _____ |
| Mr. Sullivan | _____ |
| Mr. Tavel | _____ |
| Mr. Trotter | _____ |
| Tele. Room | _____ |
| Miss Holmes | _____ |
| Miss Gandy | _____ |

REMYTEL TO BUREAU JANUARY EIGHT, NINETEEN SIXTY EIGHT,
ADVISING THAT JACK KLING, CPUSA FUNCTIONARY FROM CHICAGO, CAME
TO NEW YORK AS BEARER OF IMPORTANT MESSAGE FROM [REDACTED]
MESSAGE WAS THAT [REDACTED] HAD BEEN ADVISED BY A HIGHLY RELIABLE
SOURCE, WHOM [REDACTED] WILL NOT IDENTIFY UNTIL HE MEETS HALL
PERSONALLY DURING COURSE OF NATIONAL COMMITTEE MEETING SCHEDULED
FOR JANUARY FOURTEENTH, FIFTEENTH, SIXTEENTH, THAT THE USA IS
PLANNING TO INVADE NORTH VIETNAM ON JANUARY TWENTY NINTH,
NINETEEN SIXTY EIGHT.

CG FIVE EIGHT TWO FOUR DASH S, WHO FURNISHED ABOVE
INFORMATION TO THE NYO, IN FURTHER CONFERENCE WITH JACK KLING
ON JANUARY NINE, NINETEEN SIXTY EIGHT, LEARNED THAT ACCORDING
TO [REDACTED] THE LATTER'S SOURCE IS "A DIPLOMAT OF ONE OF OUR
ALLIES." [REDACTED] TOLD KLING AFORESAID "DIPLOMAT" ORIGINALLY
CONTACTED A MEMBER OF THE WISCONSIN CPUSA STATE COMMITTEE, NOT
END PAGE ONE

1-904950

EX-108

REC-28

JAN 11 1968

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b7c

b6
b7c

PAGE TWO

IDENTIFIED, WHO IMMEDIATELY REFERRED THE "DIPLOMAT" TO

b6
b7c

MILWAUKEE REQUESTED TO ADVISE BUREAU AND NEW YORK BY RETURN TELETYPE WHETHER ANY INFORMATION IS AVAILABLE REFLECTING THE IDENTITY OF AFORESAID DIPLOMAT.

THE ABOVE INFORMATION IS BEING FURNISHED TELEPHONICALLY TO MILWAUKEE, TO WHICH A COPY OF INSTANT TELETYPE WILL BE FURNISHED BY MAIL.

EXTREME CAUTION MUST BE EXERCISED WITH RESPECT TO DISSEMINATION OF THE INFORMATION HEREIN, SINCE THE INFORMATION, BY ITS NATURE, TENDS TO IDENTIFY CG FIVE EIGHT TWO FOUR DASH S ASTERISK, A VALUABLE INFORMANT, AS THE SOURCE. UNLESS THIS INFORMATION BE OBTAINED FROM A SOURCE OTHER THAN CG FIVE EIGHT TWO FOUR DASH S ASTERISK, IT SHOULD NOT BE INCORPORATED DASH EVEN IN PARAPHRASED FORM DASH IN ANY COMMUNICATION BEING DISSEMINATED OUTSIDE THE BUREAU.

END

WA.....

,/62/-

FJB

FBI WASH DC

FTB - RWF

*R. Palmer advised
940 11/9/68/11
F*

ROUTE IN ENVELOPE

F B I

Date: JAN 1 1968

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

Enclosed herewith for the Bureau are the original and three copies and for New York one copy of a letterhead memorandum captioned, "Communist Party of the Soviet Union Document Entitled, 'Soviet Assistance to the National Liberation Movement.'"

The information set forth in the enclosed letterhead memorandum was orally furnished to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE on 12/4-8/67 from notes that CG 5824-S* had made of the original document while it was in his custody. It is to be noted source advised that the final portion of this document was missing when presented to him. No mention of this will be made in the letterhead memorandum.

The enclosed letterhead memorandum has been classified "~~CONFIDENTIAL~~" since unauthorized disclosure of the information set forth therein could reasonably result in the identification of this source who is furnishing information on the highest levels concerning the international communist movement, thus adversely affecting the national security.

- 1-904, 4x8 w/enc 1-enc
③-Bureau (Enc. 4) (RM)
1-New York (100-134637) (Enc. 1) (Info) (RM)
1-Chicago

RAV:MDW
(5)

REC-28

JAN 11 1968

Approved: mg/ps

Sent _____ M Per _____

Special Agent in Charge

67 JAN 18 1968

CG 100-428091

A further reason for classification of the enclosed letterhead memorandum as "~~CONFIDENTIAL~~" is because source advised that this document possibly could have been reviewed by at least 200 to 300 persons in various languages as it was circulated to all the visiting delegations of the Communist and Workers Parties. Source advised he was entrusted with the original document and was responsible for its return to the Central Committee of the CP of the Soviet Union and its review by the members of the CP, USA delegation to the 50th Anniversary celebration.

In order to further protect the identity of this source, the enclosed letterhead memorandum has been shown as being prepared at Washington, D.C.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Washington, D. C.

JAN 4 1968

~~CONFIDENTIAL~~

COMMUNIST PARTY OF THE SOVIET UNION DOCUMENT
ENTITLED, "SOVIET ASSISTANCE TO THE NATIONAL
LIBERATION MOVEMENT"

A source, who has furnished reliable information in the past, during December, 1967, advised as follows:

During November, 1967, a document prepared by the Central Committee, Communist Party of the Soviet Union (CPSU), considered highly confidential, entitled, "Soviet Assistance to the National Liberation Movement," was circulated among the visiting delegations of the Communist and Workers Parties to the celebration of the 50th Anniversary of the October Revolution held in Moscow, USSR.

Set forth below are the contents of this document:

The anti-imperialist and socio-class struggle has grown stronger in the national liberation zone, notwithstanding the difficulties which have recently emerged in developing countries in view of the sharpening of internal contradictions and greater pressure exerted on them by imperialism.

Throughout the fifty years of its history, the Soviet Union has been steadfastly pursuing a policy of rendering the utmost assistance to the forces of national liberation in their struggle against imperialism and for freedom and social progress. The CPSU regards the fraternal alliance with peoples that have shaken off the political oppression of imperialism as a cornerstone of its foreign policy. It renders its utmost assistance

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

100-42351-6686 ~~CONFIDENTIAL~~

ENCLOSURE

~~Group 1~~
~~excluded from automatic~~
~~downgrading and~~
~~declassification~~

CPSU DOCUMENT ENTITLED, "SOVIET ASSISTANCE
TO THE NATIONAL LIBERATION MOVEMENT"

~~CONFIDENTIAL~~

to the newly-free countries with the purpose of strengthening their national statehood, promoting all-round cooperation with them on the basis of equality, strict respect for sovereignty, and non-interference in their internal affairs, and abolishing the last seats of colonialism and racism in the world.

The CPSU's policy of rendering comprehensive support to the forces of national liberation springs from the very nature of our socialist state, which is profoundly hostile to oppression of all kinds. From an understanding of the community of vital interests of world socialism and the world national liberation movement, our Party holds that the national liberation movement is one of the major fronts of the worldwide struggles against imperialism and that the prospects of social progress of the peoples in the countries which have discarded the colonial yoke and of all mankind will largely depend on what road these countries take and which system they follow--socialism or capitalism.

The CPSU steadfastly pursues the line of giving utmost support to the countries which engage in a struggle against imperialism and colonialism, especially those which have embarked on the non-capitalist path of development. These countries must not again become imperialist prey. As regards countries that have won independence but are following the capitalist road, we strive to help them consolidate their national independence, sustain the anti-imperialist trends in their policy and help the democratic progressive and revolutionary forces in them. In their relations with the developing countries, the CPSU and the Soviet Government act on the principle that our cooperation with these countries must strengthen the common anti-imperialist front, consolidate the forces of socialism and progress, strike the final blow at colonialism and promote the victory of national democratic revolutions.

The 23rd Congress of the CPSU and subsequent plenary meetings of the Central Committee of our Party have further demonstrated the immutability of the political line of the CPSU and the Soviet Government aimed at giving the utmost support for the struggle of the peoples for social and national emancipation and the strengthening of the independence of the young national states.

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TO THE NATIONAL LIBERATION MOVEMENT"

~~CONFIDENTIAL~~

An important objective of the current Soviet five-year plan for 1966-70, the directives for which had been endorsed by the 23rd Congress of the CPSU, is to promote economic cooperation with the developing countries by increasing trade and economic and technical cooperation with them in order to strengthen their independent national economy.

True to its internationalist duty, the Soviet Union is giving the forces of national liberation moral, political, and economic assistance and, when necessary, military aid, and helps the young national states to strengthen their defense capacity.

Regarding moral and political support, the emergence of the world's first socialist state gave a mighty stimulus to the national liberation movement on a worldwide basis. The triumph of the great October Revolution marked the beginning of the crisis of the colonial system of imperialism. The upsurge of the national liberation movement after October, 1917, was closely linked with the support of the Soviet Union and world socialism. The militant alliance of the socialist countries and all anti-imperialist forces has become a key factor of international politics.

The Soviet Union resolutely champions the right of nations to self-determination and denounces the attempts of the imperialist states to pursue an aggressive policy in relation to other countries, a policy involving the seizure of foreign territory and the enslavement of the peoples inhabiting that territory. Recognition of the right of peoples to set up their own independent national state is one of the basic principles of Soviet policy and its contribution to the practice of international relations.

Soviet support for the peoples fighting for national liberation is expressed, first and foremost, in a consistent diplomatic struggle in the exposure of the colonialists and in the mobilization of world opinion in defense of the oppressed nations. On Soviet initiative, the 15th United Nations (UN) General Assembly adopted a declaration on granting independence to colonial countries and peoples.

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The Soviet Union has resolutely opposed imperialist interference in the internal affairs of the young national states and the attempts of the new colonialists to engineer conflicts between the independent states and exhaust their strength in internecine struggle. It seeks to help the peoples of these countries to settle the outstanding issues dividing them, which they inherited from colonial days, and to unite in the struggle against imperialism. Soviet mediation which led to the cessation of the fratricidal war and to the signing of the Tashkent agreement between the governments of India and Pakistan has won the warm approval of broad circles in the Afro-Asian countries.

While advocating the strengthening of the anti-imperialist unity of the peoples of Asia, Africa, and Latin America, the Soviet Union vigorously supports all efforts in this direction, in particular, Soviet representatives are active in the Afro-Asian and Tri-Continental Solidarity Movements.

In recent years the imperialists, chiefly those of the USA, have activated their aggressive designs in Asia, Africa, and Latin America. United States aggression against the Vietnamese people is one of the main links of this imperialist policy which is menacing world peace. While rendering extensive and many-sided assistance to the people of Vietnam, the Soviet Union, together with all peace-loving nations of the world, emphatically demands an end to United States aggression against that country and the withdrawal from it of all interventionist troops.

The Soviet Union exposes the crafty plans of the imperialists to obstruct the liberation of peoples and reverse the wheel of history by instigating local wars and counterrevolutionary coups by bringing economic, political and military pressure to bear on them. This stand of the CPSU and the Soviet Government was convincingly demonstrated during the recent Israeli aggression in the Middle East.

On many important international issues the Soviet Union successfully cooperates with the independent states of Asia and Africa. Particularly close and friendly relations have been established with young states that have taken the road to socialism.

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The experience of non-capitalist development accumulated by the central Asian republics of the USSR and by the Mongolian People's Republic may be of great interest to countries like the United Arab Republic (UAR), Algeria, Syria, Mali, Guinea, Congo (Brazzaville), Tanzania, and Burma. The Soviet Union willingly shares this experience with Asian and African countries following the road of social progress. The further these countries move towards the goal selected by them, the more many-sided, profound and stable become our relations with them.

The relations of the CPSU with the revolutionary-democratic parties of the African and Asian countries have been growing stronger in recent years. The CPSU attaches great significance to contacts on Party level with the young independent states that have chosen the non-capitalist road of development and with the revolutionary-democratic parties ruling these countries. The CPSU is establishing contacts with the leaders of these parties and countries. In the talks with them attention is constantly drawn to the need for uniting in these countries all the progressive forces and all the adherents of socialism and for an advanced revolutionary party that would enjoy the support of the masses and function on the basis of scientific socialism.

The CPSU maintains various forms of relations and contacts with the revolutionary-democratic parties of Asia and Africa, attendance at party congresses, exchanges of party delegations to study organizational and ideological work, and the training of party cadres at special educational establishments of the Soviet Union as well as on the spot with the assistance of Soviet instructors. At the request of the revolutionary-democratic parties of a number of countries, the CPSU systematically sends to these countries Marxist literature, helps them compile textbooks and other materials facilitating the spread of Marxist-Leninist theory. Work with revolutionary-democratic parties requires a great deal of effort and has a number of difficulties, but it is already yielding results. In particular, it is to a large extent helping gradually to overcome anti-communist sentiments in a number of Asian and African countries that are advancing along the road of social progress.

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Regarding economic and technical cooperation of the USSR with the newly-free countries of Asia and Africa, in its economic relations with the young national states of Asia and Africa, the Soviet Union actively supports their desire to develop and strengthen the state sector, boost economic planning, promote industrialization and build up a diversified economy. Our economic relations with these countries is a powerful help for the anti-imperialist and progressive forces of young independent states.

Soviet economic aid to developing countries is implemented through economic and technical cooperation and help in the training of personnel and foreign trade.

The scale of Soviet technical and economic assistance to young Afro-Asian national states is steadily growing. The Soviet Union has now economic cooperation agreements with 33 developing countries. Total commitments to these countries exceed 5,000 million rubles; of this sum, 3,400 million rubles are designated for Asian countries and more than 1,600 million rubles for African countries. The agreements cover Soviet assistance in the building and enlargement of about 600 industrial and agricultural enterprises and other projects in various branches of the economy of the Asian and African countries.

Technical aid to developing countries involves designing and surveying by Soviet organizations, deliveries of complete sets of equipment and necessary materials, the sending of specialists to assist in construction work, the assembly and installation of equipment, the commissioning of projects and organizing production, and the training of citizens of these countries to work at the completed projects.

Over 70% of Soviet technical assistance to developing countries is allocated for the building of state industries including power engineering industries; more than half of this aid is channeled into the building of heavy industries (iron and steel, engineering, chemical, mining, etc.).

In Asian and African countries where the economy is most backward, assistance, in accordance with requests of their governments, is rendered primarily in the building of processing, manufacturing, light and food, transport, etc., in order to achieve the speediest satisfaction of the pressing needs of the population and ensure quicker economic returns.

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With Soviet assistance, developing countries have built or are building more than 40 engineering and metal-working plants, some 20 chemical factories and oil refineries, more than 20 iron and steel and non-ferrous complexes, plants and shops, about 30 power stations (not counting the power stations at factories), about 70 light and food industry enterprises, and more than 100 agricultural projects (state farms, livestock breeding farms, machine-hire stations, etc.). With Soviet help, Asian and African countries are also building medical and pharmaceutical enterprises, atomic reactors, highways, railways, dams, irrigation canals, bridges, ports, grain elevators, radio stations, educational establishments, etc.

Soviet assistance in surveying, studying, and tapping natural resources is of great importance to economic development in the young sovereign states. The enterprises that have been built or are under construction in developing countries with Soviet aid and technical assistance put out annually nearly 7,000,000 tons of steel, 9,200,000 tons of coal, over 8,000,000 tons of oil products, about 150,000 tons of metallurgical mining, forge and press and hoisting and transportation equipment, over 260,000 tons of fertilizer, 210,000 tons of cement, 70 million metres of cotton fabrics, 100,000 radio sets, 40,000 television sets, etc. The rated capacity of the power stations being built with Soviet cooperation totals about 6 million kilowatts.

About 240 enterprises and other projects built with Soviet assistance have been commissioned.

The Soviet Union is also extending considerable assistance to young Asian and African states, granting the long term credits on favorable terms; most of Soviet technical assistance is paid for by these credits. Total Soviet economic credits to Afro-Asian states exceed 4,000 million rubles.

Under the terms of these credits, the recipient countries can repay the principal from part of the revenues furnished by the enterprises built with Soviet assistance. As a rule, credits are repaid in equal annual installments after the commissioning of an enterprise or one to three years after the delivery of complete sets of equipment for each enterprise. The foreign trade interests of the recipient countries are taken into consideration in the redemption of the credits, as a rule they are repaid by deliveries of traditional export goods.

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Besides credits, the USSR has extended about 170 million rubles worth of free assistance to some developing countries for the building of hospitals and educational establishments.

More than 35,000 Soviet scientists, engineers, technicians, and skilled workers were sent to help developing Asian and African countries design and build factories, assemble, install and put into operation equipment, prospect for minerals, and render other forms of technical assistance; in 1967 over 7,000 Soviet technical specialists worked in these countries. In addition to rendering technical assistance, Soviet specialists help to train national personnel for the enterprises under construction in these countries. In the past several years alone Soviet specialists have helped train more than 120,000 skilled workers and technicians directly in developing countries. For example, while the Bhilai iron and steel works was under construction more than 10,000 Indian technicians and skilled workers were trained. In India they have also trained some 10,000 oilmen. About 12,000 skilled workers and foremen have already been trained at the Aswan High Dam project. At the projects under construction in Afghanistan, Soviet specialists have trained nearly 40,000 Afghans in various trades.

The training of personnel at educational establishments built in developing countries with Soviet cooperation is acquiring increasing importance. At present some 100 educational establishments are under construction or being set up in these countries. They include institutes, vocational, technical and secondary schools and educational centers. Over half of them are already fruitfully functioning; for example, the Bombay Technological Institute in India, the Khmer-Soviet Friendship Higher Technical Institute in Cambodia, the Rangoon Technological Institute in Burma, the Polytechnic in Guinea, the oil and gas institute and the oil technical school in Algeria, the technical institute in Ethiopia, and the educational centers in the UAR, Iraq, Mali, and other countries.

National personnel for the developing countries are also being trained at factories, offices, research institutes, and educational establishments in the Soviet Union. Foreign specialists and workers are given technical training directly at more than 150 leading Soviet factories. Some of these factories have regularly functioning educational centers with

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all the necessary instructional and methodological aids. The Soviet Union has to date enrolled more than 23,000 people for production-technical training from developing countries, and approximately 17,000 of them have already received various industrial and agricultural vocations. In 1966 alone more than 420 people from these countries were enrolled for technical training in the USSR; in addition, thousands of undergraduate and postgraduate students, as well as trainees from Asian, African, and Latin-American countries, are studying at Soviet institutions of higher learning. At present, there are more than 11,000 people from these countries studying at Soviet higher and specialized secondary schools.

Specialists from the developing countries are receiving training at Soviet educational establishments, factories, and offices free of charge. Moreover, scholarships are paid to them by the Soviet Union. The Soviet Government allocates considerable funds for the training of these specialists, spending nearly 2,000 rubles a year on each student from the developing countries.

Regarding Soviet trade with the developing countries, trade with the Soviet Union and other socialist countries plays a substantial part in promoting the independence of the young sovereign states; economic relations with the USSR and other socialist countries have enabled the developing countries to put an end to the imperialist power monopoly of many commodity markets. Based on reciprocal benefit and equality, trade with the USSR gives the liberated countries a sound foundation in their struggle against imperialist economic domination.

Prior to the second world war the Soviet Union traded with only a few of the countries in Asia, Africa, and Latin America. Today, the USSR trades with 61 developing countries in these three continents, having concluded interstate trade and payments, including long-term agreements, with 42 of them. These 61 countries account for more than 85% of the population of all the developing states.

The Soviet Union trades with these countries on terms that are favorable for them. The cash receipts from the sale

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The USSR delivers plants to the developing countries of Asia and Africa on favorable terms, granting them long-term state credits. For example, in the period 1961-66, commercial credits totaling 294,400,000 rubles were granted for terms of up to 5-8 years and in some cases up to 10 years to pay for deliveries of Soviet machines and complete sets of plants.

Regarding Soviet military aid, in fulfillment of its internationalist duty, the Soviet Union is rendering substantial and all-round aid to many young national states in Asia and Africa with the purpose of strengthening their defense capacity, and also sends armaments and material to the national patriotic forces of South Vietnam and a number of African countries fighting against imperialism. Soviet military aid includes deliveries of armaments, the sending of Soviet military experts, and the training of military cadres in the USSR.

The Soviet Union supplies Asian and African countries with naval vessels, planes, helicopters, tanks, self-propelled guns, armored troop carriers, and other military vehicles, artillery, rocket systems, machine guns, mortars, grenade throwers, rifles, radar systems, radio transmitters and receivers, parachutes, uniforms and field equipment. In addition, the Soviet Union supplies them with the ammunition, including rockets as well as spare parts. It also delivers large quantities of equipment for airfields, field hospitals, etc. Assistance is rendered in the building of repair shops, training centers, and other projects. The Soviet Union has turned over to some Asian and African countries various technical documentation of a military nature.

Soviet military aid to young national anti-imperialist states of Asia and Africa is granted on favorable terms. No payment is taken for a considerable portion of the military deliveries, while a certain quantity is supplied under long-term credits.

All Soviet armaments for the patriotic forces of Asia and Africa fighting for national independence are supplied, free of charge, through friendly independent Afro-Asian countries. In addition to weapons and other military equipment, they are being supplied with medicaments, kits, food, uniforms, vehicles, radio stations, etc.

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of Soviet goods in these countries are used mainly for the purchase of goods from their traditional export list. Thus, the developing countries buy the goods required by them in the Soviet Union without spending hard currency.

During the past 12 years, Soviet foreign trade increased 160% while trade with the developing countries of Asia, Africa, and Latin America increased 570%.

Trade with the Soviet Union accounts for a substantial portion of the foreign trade of India, the UAR, Afghanistan, Syria, Mali, Guinea, and other countries. In 1966, the Soviet Union bought from India 63% of her wool exports, nearly 57% of hide exports, nearly 50% of footwear exports, 38% of coffee exports, 31% of her pepper exports, and large quantities of tea, jute, jute products, and cotton fabrics. Afghanistan sells the Soviet Union nearly 80% of her wool exports, over 40% of her raisin exports, etc.

Purchases in the Soviet Union occupy a major place in the imports of these countries. Afghanistan, for example, purchases a large part of her sugar, up to 80% of oil products, more than 70% of machines and plants, and nearly 30% of her metal and metal articles from the Soviet Union.

Trade with the USSR and other socialist countries is helping the developing countries to solve vital post-liberation problems such as building up an independent national economy through industrialization, rapidly increasing the output of various raw materials and foodstuffs, and carrying out economic development plans. Trade with the USSR and other socialist countries brings the developing countries modern, industrial plants and the raw and other materials necessary to build up the national industry.

Much of the Soviet export list to developing countries of Asia and Africa consists of machines and equipment and these largely satisfy the requirements of many of these countries. For example, in 1966, 73% of the Soviet deliveries to Somalia consisted of machines and plants, to Afghanistan more than 60%, to India 60%, to the UAR 65%, and to Guinea 57%.

~~CONFIDENTIAL~~

CPSU DOCUMENT ENTITLED, "SOVIET ASSISTANCE
TO THE NATIONAL LIBERATION MOVEMENT"

~~CONFIDENTIAL~~

Soviet military experts are being sent to some countries of Asia and Africa to train personnel to handle weapons and equipment. Many of the military personnel from these countries are being trained in the Soviet Union; as a rule, they receive training free of charge.

Besides the aid, the Soviet Union is rendering to Asian and African states through government channels considerable gratis material and financial aid is given to these countries by Soviet public organizations. This Soviet aid has been highly appraised by Afro-Asian statesmen and by leaders of the national liberation movement. The peoples and leaders of the Asian and African countries have seen for themselves that cooperation with the Soviet Union conforms to their vital interests.

~~CONFIDENTIAL~~

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, NEW YORK (100-134637-Sub A)

SUBJECT: SOLO
IS - C

DATE: 1/4/68

Remylet, 12/4/67.

The records of the New York Office reflect the following information regarding the SOLO Funds during the period 12/1/67 - 12/31/67.

12/1/67 On hand as of 11/30/67 \$631,282.98

Credits

12/2/67 NY 694-S* received from the Soviets 500,000.00

Total: \$1,131,282.98

Debits

12/7/67 Permission granted by GUS HALL to NY 694-S* to purchase New Short Wave Radio and Recorder to be used in apparatus. Money was taken from Checking Account Number 2 (001-232835). \$838.66

- 1- 904, 910
(2) - Bureau (RM)
1 - Chicago (134-46 Sub-F) (AM RM)
1 - New York (100-128861-Sub B) (CP, USA - RESERVE FUND) (41)
1 - New York (134-91) (INV) (41)
1 - New York (41)

JFL:rmp
(6)

REC- 25

6 JAN 9 1968



NY 100-134637-Sub A

| | | |
|----------|---|--------------|
| 12/11/67 | To CG 5824-S* to be given to GUS HALL for general Party work expenses for past two months (\$50,000.00) and to HELEN WINTER for National CP Office Expenditures for 1968 (\$50,000.00). | \$100,000.00 |
| | Total: | \$100,838.66 |

Balance

| | |
|------------------------------|----------------|
| Total on Hand as of 12/31/67 | \$1,030,444.32 |
|------------------------------|----------------|

Location of SOLO Funds
New York Territory

| | |
|---|-------------|
| Safe deposit box, Chemical Bank New York Trust Company, 67 Broad Street New York, New York | \$10,000.00 |
|---|-------------|

Jack Brooks Regular Checking
Accounts, Chemical Bank -
New York Trust Company
20 Pine Street, New York,
New York.

| | |
|----------------------------|-------------|
| Account No. 1 (001-228919) | \$13,259.28 |
| Account No. 2 (001-232835) | 31,507.26 |
| Account No. 3 (001-237942) | 48,677.78 |

| | |
|---|------------|
| NY 694-S Personal Checking Account Chemical Bank, New York Trust Company, 67 Broad Street, New York, New York. | \$4,000.00 |
|---|------------|

NY 100-134637-Sub A

Maintained by NYC - FBI

Safe Deposit Boxes, Manufacturers \$923,000.00
Hanover Trust Company, 69th
Street and Third Avenue, New York,
New York.

Total as of 12/31/67: \$1,030,444.32

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/2/68

Re Chicago letter 11/29/67 regarding efforts to locate suitable replacements and/or assistants for the Solo informants.

During December, 1967, Bureau authority was obtained to utilize former PSI [redacted] for a third party contact with [redacted] Communist Party (CP) of Illinois, for the purpose of ascertaining [redacted] current thinking and attitude relative to CP matters. Careful briefing of [redacted] as instructed by the Bureau, will precede his contact with [redacted] in order to insure maximum results are obtained from this meeting. The results of this meeting will enable this office to better assess the type of approach to [redacted] which would seem to offer the greatest potential for success.

b6
b7C
b7D

The Bureau is being notified by separate communication under the caption of the informant concerning recent developments in regard to [redacted] who is considered a potential in the program. [redacted] and [redacted] recently contacted this informant concerning possibilities for investment of CP, USA funds in the informant's business. [redacted] discussed the possibility of investing \$5,000 or \$10,000. As a result of this meeting, [redacted] is preparing a prospectus concerning his business and his future plans therefor which is to be given to [redacted] for their evaluation. [redacted] has informed CG 5824-S* about this but only in broad outline. Upon the receipt of the prospectus from [redacted] will take up this proposal in greater detail with CG 5824-S*. At that time the possibilities of utilization of [redacted] in this program will be further explored.

b6
b7C
b7D

- 1 - [redacted]
2 - Bureau (RM)
1 - New York (100-134637) (RM)
1 - Chicago

WAB:mes
(4)

REC-25

6688
JAN 9 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

67 JAN 15 1968

CG 134-46 Sub B

Developments in the case of [REDACTED] previously mentioned in referenced Chicago letter, have now ruled out any further consideration of this individual as of potential value to this project.

b6
b7C

CG 5824-S* is currently in New York City but upon his return it is anticipated that he will have the opportunity to review the list of CP, USA leaders in the New York District, previously furnished by the New York Office, in an effort to identify for New York those individuals offering the best potential for concentration of defection efforts.

This program is being closely followed and the Bureau will be kept apprised.

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/4/68

Upon his return from the last Solo Mission, CG 5824-S* advised that during the course of his discussions in Moscow, USSR, with MIKHAIL POLONIK, KGB officer in charge of the Solo apparatus, the subject had once again been raised concerning publication of the informant's name in a book published by the United States Government. CG 5824-S* immediately supposed that POLONIK was making reference to the publication entitled "COMMUNIST PARTY, USA - SOVIET PAWN," published by the Senate Internal Security Subcommittee, concerning which there has been previous correspondence between the Bureau and the field. CG 5824-S*, therefore, told POLONIK that the contents of that document were known to him and that it is all "old stuff" and was no cause for concern. According to CG 5824-S*, POLONIK did not seem satisfied and continued to express concern that the informant's name had been published in such a document even though the subject matter was a number of years old.

CG 5824-S* stated that subsequent to his discussions with POLONIK, this same subject was raised by GUS HALL, General Secretary, CP, USA, and JAMES JACKSON, member of the National Executive Board and Chairman of the International Affairs Department of the CP, USA. At this point, it became apparent to the informant that these individuals and POLONIK were referring to a publication of either the Senate Internal Security Subcommittee or the House Committee on Un-American Activities which had been made public subsequent to the publication of "COMMUNIST PARTY, USA - SOVIET PAWN." CG 5824-S* stated that JAMES JACKSON had a copy of the booklet in his possession but the informant did not have an opportunity to observe the title nor the contents thereof.

- 2 - Bureau (RM)
1 - New York (100-134637) (Info) (RM)
1 - Chicago

WAB:mes
(4)



67 JAN 13 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

REC 3

100-428091-6689

JAN 12 1968

CG 134-46 Sub B

The Bureau is requested through liaison to determine the identity of the publication referred to by POLONIK and the other communist leaders and if possible to furnish one copy thereof to the Chicago and the New York Offices.

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *JCW*

DATE: January 10, 1968

FROM : C. F. Downing *CFD*

SUBJECT: SOLO
INTERNAL SECURITY - C

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

RP Putnam

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 1/10/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

1/10/68

EX 101

REC 3 100-428091-6690

6 JAN 12 1968

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS:ccb
(7)

5 B

67 JAN 15 1968

~~SECRET~~

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. G. C. Moore
1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. W. G. Shaw

ROUTE IN ENVELOPE

January 8, 1968

REC 3 100-428091-6691

EX 101

COMMUNIST PARTY, USA
VIEWS ON THE RACIAL SITUATION

The following information was furnished by a source which has supplied reliable information in the past.

The Communist Party, USA, recently furnished the leadership of a European communist party its views on the racial situation in the United States. This was done in response to a request from the European communist party for information about the connections between United States Negro leaders and the "patriotic front in the colonies." The European communist party specifically noted that Stokely Carmichael, former chairman of the Student Nonviolent Coordinating Committee, had established relations with this front when he was in Algiers.

The following are the views of the Communist Party, USA, relative to the racial situation in the United States.

Stokely Carmichael, a product of the new wave of radicals participating in the Negro movement, is being utilized by the enemies of the international communist movement. Carmichael's book on black power was actually prepared in collaboration with the United States Department of State. Carmichael is associated with the Revolutionary Action Movement (a Marxist-Leninist-oriented, all-Negro, pro-Chinese communist organization) and is preaching guerrilla warfare in the cities. This concept is totally unreal, because it is necessary to first win over the Negro masses. Carmichael views the "white world" as being all "bourgeoisie," and he views all Negroes as "proletarian slaves." During his recent world travels, Carmichael did not visit any

100-428091

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

~~SECRET~~

Group 1

Excluded from automatic
downgrading and
declassification

SEE NOTE PAGE THREE.

DECLASSIFIED BY SP-CT/WB
ON 5/10/82
#922887

67 JAN 16 1968

TELETYPE UNIT ☐

~~SECRET~~

COMMUNIST PARTY, USA
VIEWS ON THE RACIAL SITUATION

European communist countries, because he considered them as "white," and when he was in Cuba, he criticized the Communist Party, USA, as being "a millionaires' party." Although Carmichael is a very disrupting force, the rebellions in the American ghettos were spontaneous and were not organized by Carmichael. The rebellions arose out of social conditions.

H. Rap Brown, current Chairman, Student Nonviolent Coordinating Committee, is prepared to be a "martyr" and perhaps is sincere when he tells Negroes to arm themselves. The Communist Party, USA, does not publicly oppose Brown, but believes that this course of action would be disastrous.. The Communist Party, USA, has made it a policy to keep in contact with militant Negro leaders like Brown, but at the same time to remain critical of the course of action advocated. The entire Negro movement is concerned about the slogan "black power" and there is a growth of "adventurist policies." In this connection, H. Rap Brown recently told a white audience that they should give guns to help the Negroes or give money so that the Negroes could buy guns. Thus, the slogan has become "Black Power and Gun Power."

There are provocateurs from the United States Government and gangsters operating in the Negro movement. The Congress of Racial Equality and the Southern Christian Leadership Conference are alarmed at this situation and have consulted the Communist Party, USA, which has had much experience in dealing with provocateurs, anarchists, and adventurers. The representatives of the Congress of Racial Equality and the Southern Christian Leadership Conference indicated that they were afraid to oppose H. Rap Brown and other militant Negro leaders. They pointed out that anyone opposing these militant Negro leaders faces the danger of being assassinated.

~~SECRET~~

~~SECRET~~

COMMUNIST PARTY, USA
VIEWS ON THE RACIAL SITUATION

The Communist Party, USA, is proud of the position taken by the Negro movement in opposition to the activities of the United States in Vietnam. The position of Negro leader Martin Luther King against the war in Vietnam is well known, and even the National Association for the Advancement of Colored People condemns this war.

The Communist Party, USA, is for black power where Negroes are in the majority and for a share of power where Negroes are in the minority. On the international level, the Communist Party, USA, considers it a positive development that some Negro leaders in the United States see their struggle in relation to the colonial struggle throughout the world. However, Stokely Carmichael does not see the class struggle, but sees only a world in relation to "the color of skin." The Communist Party, USA, welcomes solidarity with Africa, Latin America, and Asia, but at the same time exposes the falseness of relationships based only on the color of skin.

XEROX COPIES BEING FURNISHED TO MRS. MILDRED STEGALL AT THE WHITE HOUSE, THE SECRETARY OF STATE, THE SECRETARY OF DEFENSE, DIRECTOR OF CIA, ATTORNEY GENERAL, DEPUTY ATTORNEY GENERAL, AND MR. CHARLES DAVID GINSBURG, EXECUTIVE DIRECTOR, NATIONAL ADVISORY COMMISSION ON CIVIL DISORDERS.

NOTE: See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 5, 1968, captioned "Solo, Internal Security - Communist," prepared by WGS:cst.

Data extracted from Chicago airtel 12/29/67, captioned "Solo, IS - C."

Classified ~~"Secret"~~ since unauthorized disclosure of this information could reveal the identity of the source (CG 5824-S*) who is of continuing value and such revelation could result in grave damage to the Nation.

~~SECRET~~

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan *CD Brennan*

SUBJECT: SOLO

INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. G. C. Moore

DATE: January 5, 1968

1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. W. G. Shaw

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

This is to acquaint you with the views of the Communist Party, USA, relative to the racial situation in the United States and to recommend dissemination of this data to the White House and other interested officials.

CG 5824-S*, while in the Soviet Union on a Solo Mission during November, 1967, had the occasion to attend a meeting between delegations of the Communist Party of Portugal and the Communist Party, USA, while both were in Moscow, Union of Soviet Socialist Republics, to celebrate the 50th Anniversary of the October Revolution. During the course of this meeting, officials of the Communist Party of Portugal requested the views of the Communist Party, USA, concerning the racial situation in the United States. Communist Party, USA, functionaries Henry Winston and James Jackson, both of whom are Negroes, furnished the following evaluation of the racial situation in the United States.

Stokely Carmichael, former Chairman of the Student Nonviolent Coordinating Committee, a product of the new wave of radicals participating in the Negro movement, is being utilized by the enemies of the international communist movement. His book on black power was prepared in collaboration with the United States Department of State. Carmichael is associated with the Revolutionary Action Movement (Marxist-Leninist-oriented, all-Negro, pro-Chinese communist organization) and has been preaching guerrilla warfare in the cities. Carmichael, during his world travels, did not visit any European communist countries, because he considered them as "white," and while in Cuba, he criticized the Communist Party, USA, as being "a millionaires' Party." Although Carmichael is a very disrupting force, the rebellions in the American ghettos were spontaneous and were not organized by Carmichael. The rebellions arose out of social conditions.

Enclosures *sent 1-8-68*
100-428091

WGS:cst (7)

CONTINUED - OVER

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 5/10/02 BY SP9CT/WB

#922087

REC-3

EX 107 JAN 12 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

H. Rap Brown, current Chairman of the Student Nonviolent Coordinating Committee, is prepared to be a "martyr" and is sincere when he tells Negroes to arm themselves. The Communist Party, USA, does not publicly oppose Brown, but feels that Brown's policy could result in a disaster.

The Congress of Racial Equality and the Southern Christian Leadership Conference are alarmed at the number of provocateurs and gangsters operating in the black power movement and have requested the assistance of the Communist Party, USA, in coping with this situation.

OBSERVATION:

It is interesting to note the position of the Communist Party, USA, that the rebellions in the ghettos were spontaneous and arose out of social conditions. This information should be of extreme interest to the White House and top Government officials.

RECOMMENDATION:

That the attached summary be furnished to Mrs. Mildred Stegall at the White House, the Secretary of State, the Secretary of Defense, Director of the Central Intelligence Agency, the Attorney General, the Deputy Attorney General, and Mr. Charles David Ginsburg, Executive Director, National Advisory Commission on Civil Disorders.

WCS
WCS

JS ✓ *h*

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: January 9, 1968

FROM : C. D. Brennan *CBK*

1 - Mr. R. C. Putnam

Tolson ☒
DeLoach ☒
Mohr ☐
Bishop ☐
Casper ☐
Callahan ☐
Conrad ☐
Felt ☐
Gale ☐
Rosen ☐
Sullivan ☒
Tavel ☐
Trotter ☐
Tele. Room ☐
Holmes ☐
Gandy ☐

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

C. D. Brennan

My memorandum of 12/6/67 set forth, in detail, an accounting of funds received by the Communist Party, USA, from the Soviet Union and Red China for November, 1967. The following is an accounting of these funds for December, 1967.

TOTAL FUNDS RECEIVED AND DISBURSED 9/58 TO 11/30/67

Total received from the Soviet Union.....\$4,717,745.19
Total received from Red China (all on 2/10/60). 50,000.00
Total received 9/58 to 11/30/67..... 4,767,745.19
Total disbursed 9/58 to 11/30/67..... 4,012,750.86
Balance of Fund 11/30/67.....\$ 754,994.33
Received from Soviet Union 12/67..... 518,792.90
(\$18,792.90 as reimbursement for travel expenses of Party members to Soviet Union during 1967 and \$500,000 as balance of Soviet 1967 subsidy for Communist Party, USA
Total Available.....\$1,273,787.23

DISBURSEMENTS DURING DECEMBER, 1967

All disbursements made on specific instructions of Gus Hall, General Secretary, Communist Party, USA.

12/7/67 - Purchase of radio recorder to be used in Solo apparatus... 838.66

12/11/67 - To Gus Hall for Party expenses during past two months (\$50,000) and Helen Winter for 1968 National Office expenses (\$50,000)..... 100,000.00

100-428091

RCP:cst
(5)

CONTINUED - OVER

67 JAN 15 1968

R. C. Putnam

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

12/28/67 - To CG 5824-S* as reimbursement
for expenses paid for Hall and
other Party leaders while in
Moscow, U.S.S.R., November, 1967.....\$ 1,677.52
Total disbursed December, 1967.....\$ 102,516.18
Balance of Fund 12/31/67.....\$1,171,271.05
In Chicago.....\$ 140,826.73
In New York..... 1,030,444.32
\$1,171,271.05

ACTION:

None. This memorandum is submitted for your
information. An up-to-date accounting of Party funds
received from the Soviets will be brought to your attention
each month. Details of the accounting of these funds are
not to be disseminated.

WCH
WCH
WCH

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *JWC*

DATE: January 9, 1968

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

FROM : C. F. Downing *CFD*

SUBJECT: SOLO
INTERNAL SECURITY - C

9/17
On 1/9/68, the New York Office furnished the text of a message which the informant desired to send and requested that it be enciphered. The cipher text was furnished to New York on the same day.

The plain text and cipher text are attached.

ACTION:

For information.

4/10

ms
Enclosure

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS
HS:ccb

(7) *ccb*

REC 3/00-428091-6693

EX 100

6 JAN 12 1968

5-8

67 JAN 15 1968

1/9/68

18177 13105 71660 69211 39644 27513 43541 58004 31434 72945
14169 44658 41885 77869 74952 68584 31842 14149 16983 00160
96647 01229 39871 21162 57252 31566 66464-90137 09997 72000
42387 29138 57279 78409 29682 54452 10638 67357 62085 85047
13875 51637 26435 58785 47733 90931 72084 77312 04006 94856
36083 58524 38110 39522 73378 60609 93706 28387 81318 91581
05503 24184 60937 83815 16761 43861 97746 60934

ABLE KIT HILL HAVE RELIABLE INFORMATION THAT INVASION OF
SAXON BY FIST AND PUPPET TROOPS IS SCHEDULED FOR JANUARY #29#
#29# DECISION REACHED WHEN LEO TALKED TO ALLIES ON VISIT
ING AUSTRALIA IN DECEMBER. MORE INFORMATION WILL BE FURNISH
ED IN A FEW DAYS. OAK

100-428041-6693

ROUTE IN ENVELOPE

F B I

Date: 1/10/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

Remytels, 1/8 and 9/68.

On 1/10/68, CG 5824-S*, who is currently in New York City, transmitted to the Soviets, via a New York City drop, ciphered-partially coded microfilmed messages, the plain texts of which are as follows:

1. "CCCPSU - Urgent

"Have reliable information that invasion of DRV by US and puppet troops is scheduled for January 29th, 1968. Decision reached when President JOHNSON talked to allies on visiting Australia in December. More information will be furnished in few days.

"GUS HALL"

2. "Correct address of drop Freda is 42 West 33rd Street, New York City."

Re above, Soviets had inquired concerning the correct address of the aforesaid drop.

3. "Drop Fay next. If unavailable use drop Lisa."

1-94, 9:30
 3-Bureau (100-428091) (RM) REC 3/100-128091-6694
 1-Chicago (134-46-Sub B) (AM RM)
 1-NY 134-91 (INV) (41)
 1-NY 105-14931-Sub C (TALANOV) (341)
 1-NY 100-134637 (41)

ACB:eac
 (8)

6 JAN 12 1968

Approved: _____

Special Agent in Charge

Sent _____

M

Per _____

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/4/68

Re previous correspondence concerning the investigation by the Securities and Exchange Commission into alleged manipulation of stocks being traded on the American Stock Exchange.

Enclosed herewith for the Bureau and the New York Office are Xerox copies of the following three documents which were furnished to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE on January 3, 1968, by CG 5824-S* through CS CG 6651-S:

- 1) Notice of Motion and Affidavit dated December 15, 1967
- 2) Affidavit of [redacted] dated December 15, 1967
- 3) Memorandum of Points and Authorities....

b6
b7c

According to CG 5824-S* these documents were furnished to him by his brother-in-law, IRVING PROJANSKY, and were to be filed in United States District Court in New York City on December 27, 1967.

These documents have no bearing upon the involvement of CG 5824-S* and/or CG 6653-S in this matter but are being furnished to the Bureau and New York merely as a matter of information.

- REC 48 6695
- 2 - Bureau (Encls. 3) (RM)
 - 1 - New York (100-134637) (Encls. 3) (RM)
 - 1 - Chicago

WAB:mes
(4)



79 JAN 16 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 1/9/68

FROM SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

Enclosed herewith for the Bureau are two Xerox copies, and for the New York Office one Xerox copy, of a 27 page information document prepared by the Communist Party (CP) of India concerning the CP of India (Marxist) which split from the CP of India in 1964.

The original document was turned over to CG 5824-S* while he was in Moscow, USSR, with the CP, USA delegation for the Fiftieth Anniversary celebration of the October Revolution by a representative of the CP of the Soviet Union. This document was subsequently furnished to SAs ROBERT A. VILLEMURE and WALTER A. BOYLE on December 5, 1967, by CG 5824-S*.

The original document has been returned to
CG 5824-S* for transmittal to GUS HALL, General Secretary,
CP, USA.

- 2 - Bureau (Encls. 2) (RM)
1 - New York (100-134637) (Encl. 1) (Info) (RM)
1 - Chicago

RAV:mes
(4)

REC 8

G JAN 15 1968



UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 1/10/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

Enclosed herewith for the Bureau are the original and three copies, and for the New York Office one copy, of a letterhead memorandum (LHM) entitled "HARRY YARIS."

The information set forth in the enclosed LHM was orally furnished by CG 5824-S* on December 28, 1967, to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE.

The enclosed LHM is classified "~~CONFIDENTIAL~~" since unauthorized disclosure of the information set forth therein could reasonably result in the identification of this source, who is furnishing information on the highest levels concerning the international communist movement, thus adversely affecting the national security.

In order to further protect the identity of this source, the enclosed LHM has been shown as having been prepared at Washington, D.C.

In addition to the information set forth in the enclosed LHM, CG 5824-S* also advised as follows concerning YARIS. While in Moscow during the latter part of November, 1967, CG 5824-S* was approached by YARIS who asked whether the informant desired to accompany him to interview a JOHN SMITH, who had gained some recent notoriety as a result of a series of articles he had written for a Soviet

- 2 - Bureau (Encls. 3) (RM)
- 1 - New York (100-134637) (Encls. 2) (Info) (RM)
- 1 - Chicago

WAB:mes
(4)

REC 8

6 JAN 15 1968



XEROX

JAN 19 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

publication alleging he was formerly associated with the Central Intelligence Agency and making alleged exposures of CIA operations. For the information of the Bureau and New York there is enclosed herewith one copy each of a translation of this series of articles entitled "I Was a CIA Agent." Of course, CG 5824-S* declined to accompany YARIS.

According to YARIS, SMITH had promised to give YARIS an exclusive interview under the headline "CIA Kills Own Men." In the articles referred to above (Page 21), SMITH referred to his part in the sabotage of an Indian plane in the spring of 1955. According to SMITH, this plane was blown out of the air after leaving Hong Kong en route to Indonesia because the CIA believed that Chinese Premier CHOU En-lai would be aboard. At the same time, SMITH stated, there were several CIA Agents, whom he named, aboard the plane and they were also killed. CG 5824-S* cautioned YARIS that he should act like a real journalist and do some independent research to check out such a story and gather additional background material, instead of accepting SMITH's statements at face value. As a result, YARIS did do some checking in a library and discovered that SMITH was not telling the truth. According to YARIS, the individuals named by SMITH as CIA Agents killed in the air crash had not in fact been on that plane. YARIS had been able to verify that they had died elsewhere under different circumstances. YARIS informed CG 5824-S* that he was grateful that CG 5824-S* had counselled him to do such checking. Now YARIS thinks it is possible that the information in the story already published by SMITH may also be a fabrication.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Washington, D.C.

January 10, 1968

In Reply, Please Refer to
File No.

~~CONFIDENTIAL~~

HARRY YARIS

During December, 1967, a source, who has furnished reliable information in the past, advised as follows:

Harry Yaris, currently the Moscow, USSR correspondent for "The Worker," the East Coast twice weekly communist newspaper, was expected to leave Moscow in early December, 1967, for a trip of about six weeks' duration. This trip by Yaris was to start in the German Democratic Republic, following which he was to proceed to Yugoslavia, Czechoslovakia and Warsaw, Poland. It was understood that Yaris would be in Poland from January 15 to about January 25, 1968.

~~CONFIDENTIAL~~

~~Group 1~~

~~Excluded from automatic
downgrading and
declassification~~

This document contains neither recommendations nor conclusions of the Federal Bureau of Investigation. It is the property of the Federal Bureau of Investigation and is loaned to your agency; it and its contents are not to be distributed outside your agency.

XEROX

JAN 19 1968

100-424091-6697

ENCLOSURE

VIA TELETYPE

JAN 11 1968

ENCIPHERED

R-53

URGENT 1-11-68

TO DIRECTOR AND NEW YORK

NEW YORK VIA WASHINGTON

FROM MILWAUKEE

SOLO IS-C.

RE NEW YORK TELETYPE TO DIRECTOR JANUARY NINE LAST.

MILWAUKEE HAS NO INFO RE IDENTITY OF DIPLOMAT
REFERRED TO IN RETEL OR THE REPORTED CONTACTS BY THIS
INDIVIDUAL OF WISCONSIN RESIDENTS. RUC.

RECEIVED: 4:36PM MSE

| | |
|--------------|-------|
| Mr. Tolson | _____ |
| Mr. DeLoach | _____ |
| Mr. Mohr | _____ |
| Mr. Bishop | _____ |
| Mr. Casper | _____ |
| Mr. Callahan | _____ |
| Mr. Conrad | _____ |
| Mr. Felt | _____ |
| Mr. Gale | _____ |
| Mr. Rosen | _____ |
| Mr. Sullivan | _____ |
| Mr. Tavel | _____ |
| Mr. Trotter | _____ |
| Tele. Room | _____ |
| Miss Holmes | _____ |
| Miss Gandy | _____ |

REC-31

100-428191 — 6698

6 JAN 15 1968

XEROX

JAN 1968

RELAYED TO

67 JAN 16 1968

ROUTE IN ENVELOPE

January 12, 1968

BY LIAISON

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. R. C. Putnam

Honorable Dean Rusk
The Secretary of State
Washington, D. C.

Dear Mr. Rusk:

Reference is made to the memorandum from this Bureau dated November 29, 1965, captioned "Proposed Department in the Communist Party of the Soviet Union for International Communist Party Relations," which was furnished for your information, and to my letter to the Director, Bureau of Intelligence and Research, Department of State, dated November 10, 1966, captioned "Institute of International Workers Movement."

Please be advised that the classification of both communications may be downgraded from "~~Top Secret~~" to "~~Secret~~."

Sincerely yours,

100-428091

RCP:cst
(7)

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 11, 1968, captioned "Solo, Internal Security - Communist," prepared by RCP:cst.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

REC'D-READING ROOM

83 JAN 15 2 11 PM '68

MAIL ROOM ☐

TELETYPE UNIT ☐

REC-31 100-428091-6699

6 JAN 15 1968

In West-400

ROUTE IN ENVELOPE

January 12, 1968

BY LIAISON

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. R. C. Putnam

Honorable Richard Helms
Director
Central Intelligence Agency
Washington, D. C.

Dear Mr. Helms:

Reference is made to the following communications from this Bureau which have been classified "~~Top Secret~~."

1. Memorandum dated November 29, 1965, captioned "Proposed Department in the Communist Party of the Soviet Union for International Communist Party Relations."

2. Letter to the Director, Bureau of Intelligence and Research, Department of State (copy to your Agency), dated November 10, 1966, captioned "Institute of International Workers Movement."

3. My letter dated January 10, 1967, enclosing a memorandum dated January 3, 1967, captioned "Institute of International Workers Movement."

Please be advised that the classification of these documents may be downgraded from "~~Top Secret~~" to "~~Secret~~."

REC-31

Sincerely yours,

JAN 15 1968

100-428091

RCP:cst
(7)

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 11, 1968, captioned "Solo, Internal Security - Communist," prepared by RCP:cst.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

ROUTE IN ENVELOPE

January 12, 1968

BY LIAISON

ST
Mrs. Mildred Stegall
The White House
Washington, D. C.

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. R. C. Putnam

Dear Mrs. Stegall:

Reference is made to the memorandum from this Bureau dated November 29, 1965, captioned "Proposed Department in the Communist Party of the Soviet Union for International Communist Party Relations," which was furnished for the information of the President.

Please be advised that the classification of this document may be downgraded from "~~Top Secret~~" to "~~Secret~~."

Sincerely yours,

100-428091

RCP:cst
(7)

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 11, 1968, captioned "Solo, Internal Security - Communist," prepared by RCP:cst.

REC-31

3 JAN 15 1968

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
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Callahan _____
Conrad _____
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Gale _____
Rosen _____
Sullivan _____
Tavel _____
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Tele. Room _____
Holmes _____
Gandy _____

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MILITARY DIVISION ROOM

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67 JAN 16 1968

TELETYPE UNIT ☐

ROUTE IN ENVELOPE

The Attorney General

Director, FBI

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
January 12, 1968

1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. R. C. Putnam

7/1
**PROPOSED DEPARTMENT IN THE COMMUNIST
PARTY OF THE SOVIET UNION FOR INTERNATIONAL
COMMUNIST PARTY RELATIONS**

Reference is made to my memorandum dated
November 29, 1965, captioned as above.

Please be advised that the classification of
~~this document may be downgraded from "Top Secret" to~~
~~"Secret."~~ *Solo*

1 - The Deputy Attorney General

100-428091

RCP:est *est*
(9)

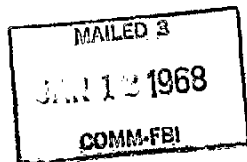
NOTE:

See cover memorandum C. D. Brennan to Mr. W. C.
Sullivan, dated January 11, 1968, captioned "Solo, Internal
Security - Communist," prepared by RCP:est.

W
pen
REC-31 100-428091-6702

6 JAN 15 1968
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Tele. Room _____
Holmes _____
Gandy _____



67 JAN 16 1968

TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum

REC-4

TO : DIRECTOR, FBI (100-428091)

DATE: 1/9/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

Enclosed herewith for the Bureau are two copies, and for the New York Office one copy, of an informant's statement captioned "FRIEDA CANTOR."

The information in the enclosed informant's statement was furnished on December 28, 1967, by CG 5824-S* to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE.

The information in the enclosed informant's statement was obtained by the source from TAMARA (LNU), a translator in the International Department of the Central Committee, Communist Party (CP) of the Soviet Union, who is a student in the higher language school in Moscow. She corresponds with FRIEDA CANTOR and NATALIE MYERS.

Pertinent information in the enclosed informant's statement will be disseminated to appropriate files under separate caption, suitably paraphrased, and bearing appropriate cautionary statement.

- 2 - Bureau (Encls. 2) (RM)
- 1 - New York (100-134637) (Encl. 1) (RM)
- 2 - Chicago
 - 1 - A) 134-46 Sub B 135

WAB:mes
(5)

6703
JAN 15 1968



56 JAN 23 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

FRIEDA CANTOR

Frieda Cantor of Chicago, Illinois, traveled to the USSR in August, 1967, with the intention of visiting for some months with relatives in the USSR. However, it was learned that Cantor had become ill and had only remained in the USSR for about three weeks and left without seeing her sister, who resides in the southern part of the USSR. Frieda Cantor has gone to London and expects to remain there for some months visiting members of the family of her husband, Harry Cantor, who originally comes from Great Britain.

100-428091 — 67.03

ENCLOSURE

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/9/68

Re Bureau letter to New York dated 1/4/68 making reference to 1) Instructions from the Communist Party (CP) of the Soviet Union that the CP, USA set up a laundry or gift shop in New York City as a cover for the transfer of funds from the CP of the Soviet Union to the CP, USA; and 2) Authorization from the CP of the Soviet Union for NY 694-S* to expend up to \$13,000 in an effort to obtain the latest listening and anti-bugging devices used by police agencies. Observations and recommendations of the New York Office were requested as to how these matters should be handled. The Bureau further noted that in the future when furnishing information of this type, it would be extremely helpful if there were included observations and recommendations as to the manner in which these matters should be handled.

As the Bureau is aware, although the communication containing the above information emanated from the New York Office, the airtel referenced by the Bureau was actually prepared by a Chicago Agent temporarily in New York City for the sole purpose of expeditiously debriefing CG 5824-S* and rapidly furnishing information in his possession to the Bureau. Since neither of the matters referred to above was being brought to the Bureau's attention for the first time, and since both are subjects of concern to the New York Office and might well have been the subject of previous exchange of correspondence between New York and the Bureau, it would not have appeared prudent for a Chicago Agent to set forth observations

1- 904, 905

REC 30

- 2 - Bureau (RM)
- 1 - New York (100-134637) (RM)
- 1 - Chicago

WAB:mes
(4)

6 JAN 16 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

67 JAN 10 1968

CG 134-46 Sub B

and recommendations for the New York Office, in effect setting their policy. However, in order to comply with the spirit of the Bureau instructions, in the future under similar circumstances a lead will be set forth for the New York Office to furnish such observations and recommendations.

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, NEW YORK (100-134637 Sub C)

SUBJECT: SOLO
IS - C
(REPLACEMENT AND NEUTRALIZATION PROGRAM)

DATE: 1/10/68

Re New York letter to Bureau, 11/3,22/67, 12/5/67.

In December, 1967, shortly prior to leaving for Florida to convalesce from his recent auto accident, NY 694-S* while in conference with SAS of the NYO, expressed the opinion that [redacted] new employment in the lower Manhattan area of New York City should place [redacted] in a better position for further participation in the affairs of SOLO.

NY 4309-S* is currently receiving radio messages twice weekly from the Soviets.

In December, 1967, NY 694-S* contacted NY 4309-S* and assigned him the task of locating two or three locations in mid-town Manhattan for drops to be used in the future. NY 4309-S* will be introduced to GUS HALL when arrangements can be made by NY 694-S*.

On 12/14/67, ARNOLD JOHNSON responded to NY 694-S*'s November, 1967, request that JOHNSON make intra-party inquiries concerning [redacted]

JOHNSON told NY 694-S* that he had contacted DANNY RUBIN, National Organization Secretary of the CP, who had in turn obtained information concerning [redacted] from [redacted] Du. Bois Clubs of America leader.

According to [redacted] was a "troublemaker" who had attempted to disrupt youth group meetings and was "not

- 2- Bureau (RM)
- 1- New York (134-91) (ADM) (41)
- 1- New York [redacted] (ADM) (47)
- 1- New York (100-134637 Sub C) (41).

RJQ:ptp
(5)

REC 30 100-428091-6705
EX 107

6 JAN 16 1968

5-8

67 JAN 18 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

NY 100-134637 Sub C

even a member of the Party". It would appear that [redacted] opinion was motivated by jealousy or anti-semitism. NY 694-S* could offer no rebuttal for obvious security reasons despite the fact that he knew [redacted] report to contain errors. Instead, NY 694-S* suggested that JOHNSON drop the matter of [redacted] adding as an after thought that before doing so perhaps JOHNSON could ask MAX ROSEN for an opinion on [redacted] NY 694-S* knew JOHNSON and ROSEN to be close associates. ROSEN is a member of the CP Industrial Section.

b6
b7C
b7D

A week later [redacted] reported that he had been "interviewed" by ROSEN and that ROSEN asked questions concerning him which presupposed a briefing prior to the interview by someone who knew him well. [redacted] gave favorable answers to ROSEN's questions which impressed ROSEN. JOHNSON has not yet reported to NY 694-S* concerning the "interview" and, with security in mind, there is very little that can be done to hasten his reporting. Hopefully however the truth concerning the availability of [redacted] for NY 694-S*'s purposes and his qualifications will become known to JOHNSON soon and with a double effect: Solidifying [redacted] position and undermining (neutralizing) [redacted]

b6
b7C
b7D

The Bureau will be kept advised concerning the progress of the above matters.

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: January 11, 1968

1 - Liaison
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
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Gandy _____

Solo is the code word used to refer to the liaison operation performed by our informants between the Communist Party, USA, and other communist parties of the world.

PURPOSE:

This memorandum recommends downgrading of three communications classified "~~Top Secret~~" to "~~Secret~~."

BACKGROUND:

Through liaison, Central Intelligence Agency has advised it is preparing a study on the Institute of International Workers Movement in the Soviet Union. This study is to be classified "~~Secret/No Foreign Dissemination~~." To make this study complete, material contained in three "~~Top Secret~~" communications from us should be included. Central Intelligence Agency has requested consideration be given to downgrading the following communications from "~~Top Secret~~" to "~~Secret~~."

1. Memorandum "Proposed Department in the Communist Party of the Soviet Union for International Communist Party Relations," which was disseminated to the White House, Secretary of State, Director of the Central Intelligence Agency, the Attorney General, and the Deputy Attorney General, under date of 11/29/65.

2. Letter to Director, Bureau of Intelligence and Research, Department of State, with a copy to Central Intelligence Agency, captioned "Institute of International Workers Movement," dated 11/10/66.

Enclosures sent 1-12-68

100-428091

RCP:cst
(6)

REC 30

CONTINUED - OVER 6 JAN 16 1968

67 JAN 18 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

3. Letter to Director, Central Intelligence Agency, dated 1/10/67, enclosing a memorandum captioned "Institute of International Workers Movement," dated 1/3/67.

Information contained in these communications was developed by CG 5824-S* through the Solo Operation. These communications set forth information concerning the formation, development, and organizational setup of the Institute of International Workers Movement, which has now established wide contacts in numerous communist parties throughout the world.

OBSERVATIONS:

Upon review, it is apparent that the classification of these communications may be downgraded from "~~Top Secret~~" to "~~Secret~~" without jeopardizing our informant due to the lapse of time and the extent to which information concerning the Institute has spread throughout the world because of its contacts with other communist parties.

Attached are letters to Mrs. Mildred Stegall at the White House, the Secretary of State, Director of the Central Intelligence Agency, and the Attorney General advising that respective communications received by them in this matter may be downgraded from "~~Top Secret~~" to "~~Secret~~."

RECOMMENDATION:

It is recommended that attached letters be approved and sent.

W.C.S.
Dr
OK
JS

ROUTE IN ENVELOPE

1/18/68

airtel

1 - Mr. R. C. Putnam

To: SAC, Milwaukee

PERSONAL ATTENTION

From: Director, FBI (100-428091)

SOLO
INTERNAL SECURITY - C

ReButel 1/17/68, NYtel 1/16/68 (copy mailed your office), and previous communications received and sent by your office under this caption.

Captioned matter involves a most sensitive operation. All communications under this caption are to be afforded special security, routed in an envelope within your office, be made available to personnel only on a need-to-know basis, and maintained in a special file cabinet with other confidential files in your office. Under no circumstances should copies of these communications be placed within your pending or closed files.

Your attention is directed to the last paragraph of reNYtel, which sets forth rules for dissemination of information received under this caption. Leads to other offices concerning information in referenced communications should not be set out under the Solo caption to offices other than New York and Chicago. If necessary, utilize the caption [redacted] [redacted] IS - C (National Committee)."

b6
b7c

1 - New York
1 - Chicago

RCP:cst
(6)

100-428091-6707

6 JAN 17 1968

NOTE:

Solo is the code word for the liaison operation performed by our informants between the CPUSA and other communist parties of the world. Because of the sensitive nature of this operation, communications concerning data developed under it must be afforded special handling.

Tolson _____
DeLoach _____
Mohr _____
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Callahan _____
Conrad _____
Felt _____
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Sullivan _____
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Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
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Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *OK*

DATE: January 16, 1968

FROM : *C* F. Downing

SUBJECT: *0* SOLO
INTERNAL SECURITY - C

On 1/16/68, the New York Office furnished the text of two messages which the informant desired to send and requested that they be enciphered. The cipher text was furnished to New York on the same day.

The plain text and cipher text are attached.

ACTION:

For information.

Enclosure

- 2 ENCLOSURE*
- 1 - Mr. Conrad
 - 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
 - 1 - Mr. Downing
 - 1 - Mr. Newpher
 - 1 - Mr. Paddock

HS
HS:ccb
(7) *cab*
pump *mm*

REC 16/00 - 42671 - 6708
EX 101

JAN 16 1968

55 JAN 23 1968

5-10

1/16/68

19605 45892 07744 67354 14011 78796 76782 72986 16415 14065
79808 53036 95578 38235 35872 89465 22903 54887 38565 37481
40475 68377 80291 98564 46778 33716 08140 99037 74453 91005
59163 29325 51532 31878 31562 48135 55077 68573 90727 44963
33236 93188 57606 45034 76448 95471 36852 24289 12055 32799
37553 49609 70413 24530 52737 30089 56826 91609 56287 36947
47402 13981 61711 99230 75999 11828 78269 20636 18329 21857
51079 59099 81281 83270 29931 20494 38075 38589 50340 76417
12443 11669 94223 84302 15626 31045 80292 34845 02891 31357
00721 61121 13026 99388 04776 28156 62268 35421 48887 09052
15673 09899 69431 33893 95734 24504 60854 76618 99599 48942
20256 67028 52891 74296 35616 15199 16754 13104 99583 25621
38106 79289 95794 85343 95229 46168 83446 84147 95237 44486
17619 89434 00014 07413 18762 93271 43190 74733 75164 38277
23580 08598 65518 31624 57096 63711 00684 23161 68974 20763
54714 52965 67109 51857 66693 40400 20120 81955 43461 55232
35617 87634 99321 64435 71752 28326 48731 95877 56511 29244
73691

100-428071-6708

ABLE-KIT-HILL UPON INSTRUCTIONS FROM OAK THE FOLLOWING INFORMATION CONCERNING SAXON IS BEING SENT TO YOU. MEMBER OF FAMILY OF A LEADING COX REX RECENTLY VISITED AUSTRALIA. HAD CONFIDENTIAL CONTACT WITH INTIMATE FRIEND WHO IS A MEMBER OF PARLIAMENT AND CLOSE TO HIGH GOVERNMENT SOURCES. INFORMATION CONFIDED REGARDING DATE OF INVASION AND ESCALATION OF WAR. MEMBER OF PARLIAMENT DESIRED THIS INFORMATION BE GIVEN TO FISTEBB LEADERSHIP, BUT REQUIRED PLEDGE THAT IT BE USED IN MOST DISCREET AND CONFIDENTIAL MANNER. HE EMPHASIZED THE INFORMATION MUST NOT BE USED IN ANY MANNER THAT WILL JEOPARDIZE HIS SECURITY AND HIS RELATIONS WITH HIS GOVERNMENT SOURCES. HUB.

ENCLOSURE

10. 1035091 6708

1/16/68

56774 58961 50058 92589 64932 77036 67424 47993 85196 63945
41905 29669 01696 38803 33645 80537 27887 51431 71430 13565
62923 67808 12218 64296 11970 19375 66212 21349 44106 40377
65526 11564 17182 30927 55195 56588 53155 65225 01443 85139
21217 82557 59137 25747 30209 89572 82239

ABLE KIT HILLABLE COXNEK ADJOURNED TODAY. ELABORATE PLA
N FOR #68# HOP, TIDE AND BARD PREPARATIONS. WE ARE AWAITING P
ROMISED ANSWER TO OUR REQUEST FOR #1968# HUB.

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan ☒ _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *June*

DATE: January 17, 1968

FROM : *G. F. Downing*

SUBJECT: SOLO
INTERNAL SECURITY - C

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 1/17/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS:ccb
(7)

EX-101

REC 16

100-42-1071-6709

6 JAN 19 1968

518

55 JAN 23 1968

ROUTE IN ENVELOPE

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan CODE
1 - Liaison
1 - Mr. W. G. Shaw

1/17/68

TELETYPE

URGENT

SENT BY CODED TELETYPE

TO THE WHITE HOUSE, SITUATION ROOM
ATTENTION: MRS. MILDRED STEGALL
SECRETARY OF STATE
~~SECRETARY OF DEFENSE~~ INTELLIGENCE
DIRECTOR OF CENTRAL INTELLIGENCE AGENCY

FROM DIRECTOR FBI (100-428091)

~~(SECRET)~~ COMMUNIST PARTY, USA, INTERNATIONAL RELATIONS.

MY TELETYPE OF JANUARY NINE LAST IN THIS MATTER ADVISED THAT GUS HALL, GENERAL SECRETARY, COMMUNIST PARTY, USA, WAS SENDING A MESSAGE TO THE COMMUNIST PARTY OF THE SOVIET UNION ALLEGING THE UNITED STATES WILL INVADE NORTH VIETNAM ON, OR ABOUT, JANUARY TWENTY-NINE NEXT. IT HAS NOW BEEN LEARNED THAT THIS INVASION INFORMATION, WHICH WAS FURNISHED IN CONFIDENCE TO HALL, ALLEGEDLY WAS OBTAINED FROM A MEMBER OF THE AUSTRALIAN PARLIAMENT WHO IN TURN SUPPOSEDLY RECEIVED THIS INFORMATION FROM A HIGH AUSTRALIAN GOVERNMENT OFFICIAL. INVASION DECISION ALLEGEDLY REACHED WHEN PRESIDENT JOHNSON TALKED WITH ALLIES IN AUSTRALIA LAST DECEMBER. YOU WILL BE IMMEDIATELY ADVISED OF ANY ADDITIONAL INFORMATION DEVELOPED.

GP-1

WGS:cst
(7)

VIA TELETYPE

JAN 17 1968

ENCIPHERED

REC 16

JAN 19 1968

INITIALED

DIRECTOR'S OFFICE

SEE NOTE PAGE TWO.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

55 JAN 23 1968

MAIL ROOM ☐

TELETYPE UNIT ☐

TELETYPE TO THE WHITE HOUSE, SITUATION ROOM
ATTENTION: MRS. MILDRED STEGALL
RE: COMMUNIST PARTY, USA
100-428091

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 17, 1968, captioned "Solo, Internal Security - Communist," prepared by WGS:cst.

Classified ~~"Secret"~~ since unauthorized disclosure of this information could reveal identity of source (CG 5824-S*), who is of continuing value and such revelation could result in grave damage to the Nation.

Information extracted from New York teletype of 1/16/68, captioned "Solo, IS - C."

WH PLS ACK MSG 01..

DE WH ACK 00 1 010 ✓

CIA PLS ACK MSG 02....

QSL FOR YOUR 02 RPT 02 180010Z ✓

DIA PLS ACK MSG 02 BY PHONE

SOL AT DIA ACKS MSG VIA PHONE ✓

STATE PLS ACK MSG 07...

KKK

DE SECSTATE FBI 077/// 007 RECD 730P EAL ✓

ROUTE IN ENVELOPE

SAC, Chicago (134-46 Sub B)

1/19/68

Director, FBI (100-428001)

1 - Mr. W. G. Shaw

SOLO

INTERNAL SECURITY - C

Reurlet 1/4/68.

Relet noted that a Soviet security official, as well as leading officials of the Communist Party, USA, were concerned about the publication of the name of CG 5824-S* in a book published by the U. S. Government. Informant was of the opinion that this book was published by either the Senate Internal Security Subcommittee or the House Committee on Un-American Activities (HCUA) and had been made public subsequent to the publication in early 1967 of "Communist Party, USA - Soviet Pawn." The Bureau was requested to determine the identity of the publication, which reportedly contains informant's name, and if possible, to furnish a copy of the publication to New York and Chicago.

A review has been made of the publications of the Senate Internal Security Subcommittee which were released in 1967. No record of informant's name was located in these publications, with the exception of the publication "Communist Party, USA - Soviet Pawn."

A discreet review was made of the indices containing the names of individuals set forth in HCUA publications during the year 1967. No record of informant's name was noted in these indices.

In the event the informant has an opportunity to obtain further details concerning this matter, the Bureau should be appropriately advised in order that an additional search may be conducted looking toward the location of the publication in question.

1 - New York (100-134637)

WGS:cst
(5)

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☒ TELETYPE UNIT ☐

REC 16

EX 101

6 JAN 19 1968

SEE NOTE PAGE TWO.

Letter to SAC, Chicago
RE: SOLO
100-428091

NOTE:

When informant was in the Soviet Union on a Solo Mission in November, 1967, he was questioned by an official of the Soviet Security Division relative to the appearance of informant's name in a U. S. Government publication. This was regarded as a serious matter in view of the fact that informant's role in the Solo apparatus depends upon the fact that he is not known by the U. S. Government to be presently connected with the CPUSA. Informant was of the opinion that the Soviet was referring to the book, "Communist Party, USA - Soviet Pawn," which listed informant's name, and informant was able to convince the Soviet there was no cause for concern. However, informant later learned that CPUSA officials were also concerned about this matter and were apparently referring to a book issued by either the Senate Internal Security Subcommittee or HCUA subsequent to the aforementioned publication. A check of the Senate Internal Security publications and a check made by WFO or HCUA indices failed to disclose any publication issued subsequent to "Communist Party, USA - Soviet Pawn," which contained informant's name.

~~CONFIDENTIAL~~

1 - Liaison
1 - Mr. R. C.

BY LIAISON

b6
b7c

RA

Date: January 18, 1968

To: Director
Central Intelligence Agency

Attention: Deputy Director, Plans

From: John Edgar Hoover, Director

Subject: COMMUNIST PARTY OF INDIA

Attached is a copy of a document prepared by the Communist Party of India about the Communist Party of India (Marxist). This document was furnished to a representative of another communist party during the celebration of the 50th Anniversary of the "Great October Revolution" held in Moscow, Union of Soviet Socialist Republics, in November, 1967.

To protect the identity of our source, it is requested that no indication of the way in which the document was received be mentioned in the event either the document or portions of it are disseminated outside your Agency.

Enclosure

RCP:cst
(5)

REC 3 100-422011-6712

JAN 19 1968

NOTE:

Classified "~~CONFIDENTIAL~~" since unauthorized disclosure of this information could reveal the identity of the source (CG 5824-S*) who is of continuing value, and such revelation could result in damage to the national defense.

NOTE CONTINUED PAGE TWO.

~~CONFIDENTIAL~~

Group 1

Excluded from automatic
downgrading and
declassification

file only in 100-428091

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

56 JAN 30 1968

TELETYPE UNIT ☐

~~CONFIDENTIAL~~

Director
Central Intelligence Agency

NOTE CONTINUED:

While on Solo Mission 24 to the Soviet Union, CG 5824-S* received the attached 27-page document. The document describes the split which occurred in 1964 in the Communist Party of India and which led to the formation of the pro-Chinese Communist Party of India (Marxist).

~~CONFIDENTIAL~~

ROUTE IN ENVELOPE

F B I

Date: 1/3/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, CHICAGO (134-46 Sub B)
 SUBJECT: SOLO
 IS - C

Enclosed herewith for the Bureau are three copies, and for New York one copy, of an informant's statement captioned "FUNDS COLLECTED BY COMMUNIST PARTY, USA FROM COMMUNIST PARTY OF THE SOVIET UNION AS REIMBURSEMENT FOR TRAVEL DURING 1967."

The information set forth in the enclosed informant's statement was orally furnished by CG 5824-S* on 12/5/67 to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE.

- 1-404, m 9 wch 1, del.
 (3) - Bureau (Encls. 3) (RM)
 1 - New York (100-134637) (Encl. 1) (RM)
 1 - Chicago

WAB:mes
 (5)

REC 55

100-4127-6713
6 JAN 22 1968Approved: *[Signature]*

Sent _____ M Per _____

Special Agent in Charge

55 JAN 23 1968

**FUNDS COLLECTED BY COMMUNIST PARTY,
USA FROM COMMUNIST PARTY OF THE
SOVIET UNION AS REIMBURSEMENT FOR
TRAVEL DURING 1967**

During the latter part of November, 1967, negotiations were held with a representative of the International Department of the Central Committee, Communist Party (CP) of the Soviet Union, relative to reimbursement for the CP, USA from the CP of the Soviet Union for fares of CP, USA members who traveled to the USSR as official guests of the CP of the Soviet Union throughout the course of 1967. Based on these discussions, the CP, USA was reimbursed a total of \$19,560.50. This total included reimbursement of travel expenses of the following individuals:

Helen Winter - SI



Edythe Kimmelman - SI



Frank Pellegrino - SI

Bessie Pellegrino - SI

Felix Ojeda - SI

Albert Lannon - SI



Philip Foner - SI



Hyman Lumer - SI

Dorothy Healey - SI

Michael Davidow - SI



Lou Diskin - SI



William Weinstone - SI

Monette Weinstone - SI

Sam Kushner - SI

Florence Kushner - SI

Harry Cantor

Frieda Cantor } Harry & Frieda Cantor
are on SI.

b6
b7c

100-428091-6713
ENCLOSURE

Natalie Myers - SI
Cyril Philip - SI
Esther Philip - SI



- Inf.

bullet to NY + Chi
1/18/68

Gus Hall - SI
Elizabeth Hall - SI
Henry Winston - SI
Fern Winston - SI
Anthony J. Lima SI
Carl Winter - SI

b6
b7C

Juan Santos Rivera - SI

James Jackson (James E. Jackson + a James Seldon Jackson both SI)

Prior to returning to the United States, Gus Hall, General Secretary, CP, USA, then in Moscow, USSR, utilized some of these funds for expenses in the USSR, which expenses included the following. An allowance of \$60.00 each for spending money in Moscow was given to Henry Winston, Mickey Lima, Carl Winter, [redacted] Juan Santos Rivera and James Jackson, for a total of \$360.00. Also, expenses were furnished to Mickey Lima for travel to London to attend the congress of the CP of Great Britain during November, 1967, the amount unknown.

As a result of the above expenditures, the total remaining funds amounted to \$18,792.90. This amount has now been placed with other CP, USA reserve funds.

ROUTE IN ENVELOPE

1/17/68

CODE

TELETYPE SENT BY CODED TELETYPE

URGENT

TO SAC MILWAUKEE

REC 55

FROM DIRECTOR FBI (100-428091)-6714

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Liaison
1 - Mr. W. G. Shaw

SOLO, INTERNAL SECURITY - C.

RENYTELS OF JANUARY NINE LAST AND JANUARY SIXTEEN LAST.

RETELS NOTED THAT VIETNAM INVASION INFORMATION OBTAINED

BY [REDACTED] FROM WISCONSIN COMMUNIST PARTY OFFICIAL

[REDACTED] WHO IN TURN RECEIVED INFORMATION FROM A RELATIVE WHO

RECENTLY RETURNED FROM AUSTRALIA. IMMEDIATELY CONDUCT A MOST

DISCREET INVESTIGATION IN EFFORT TO DETERMINE IDENTITY OF [REDACTED]

RELATIVE. INVESTIGATION MUST BE HANDLED ON IMMEDIATE,

CONTINUING, AND TOP PRIORITY BASIS AND MUST BE HANDLED WITH

UTMOST CIRCUMSPECTION, IN ORDER TO PROTECT THE IDENTITY OF

SOURCE. SUTEL PERTINENT INFORMATION DEVELOPED. COPY MAILED

NEW YORK AND CHICAGO.

1 - New York

1 - Chicago

WGS:cst

(9)

VIA TELETYPE

JAN 17 1968

ENCIPHERED

NOTE: See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated January 17, 1968, captioned "Solo, Internal Security - Communist," prepared by WGS:cst.

Teletype being utilized in view of extreme importance of this matter.

INITIALED

DIRECTOR'S OFFICE

55 JAN 23 1968

MAIL ROOM ☐ TELETYPE UNIT ☐

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

b6
b7c

VIA TELETYPE
JAN 16 1968
ENCIPHERED

Mr. Tolson ☒
Mr. DeLoach ☒
Mr. Mohr ☐
Mr. Bishop ☐
Mr. Casper ☐
Mr. Callahan ☐
Mr. Conrad ☐
Mr. Felt ☐
Mr. Gale ☐
Mr. Rosen ☐
Mr. Sullivan ☒
Mr. Tavel ☐
Mr. Trotter ☐
Tele. Room ☐
Miss Holmes ☐
Miss Gandy ☐

WA 1

310 PM URGENT 1-16-68 JAM

TO DIRECTOR 100-428091

ATT DOMESTIC INTELLIGENCE DIVISION

FROM NEW YORK 100-134637 4P

SOLO, IS-C

REMYTELS ONE EIGHT TO BUREAU AND CHICAGO, AND ONE
NINE TO BUREAU, CHICAGO AND MILWAUKEE, CONTAINING
INFORMATION FURNISHED BY [REDACTED] MILWAUKEE
CP FUNCTIONARY, CONCERNING ALLEGED PLAN OF USA TO

INVADE NORTH VIETNAM ON JANUARY TWENTYNINE, SIXTYEIGHT.

ON JANUARY SIXTEEN, SIXTYEIGHT, CG FIVE EIGHT TWO
FOUR-S ASTERISK ADVISED AS FOLLOWS..

PURSUANT TO GUS HALL'S INSTRUCTIONS TRANSMITTED TO
HIM BY JACK KLING, [REDACTED] ON ONE THIRTEEN,
SIXTYEIGHT, CONFERRED SECRETLY WITH KLING AND CG FIVE
EIGHT TWO FOUR-S ASTERISK CONCERNING THE REPORT OF THE
ALLEGED PLANNED INVASION OF NORTH VIETNAM BY THE USA. JAN 22 1968

[REDACTED] WAS VERY NERVOUS, SECURITY CONSCIOUS,
AND CONTINUALLY EMPHASIZED THAT THE ONLY ONES IN THE PARTY
AWARE OF THIS REPORT ARE HIS SOURCE--A WISCONSIN CP
FUNCTIONARY--WHOM HE REFRAINED FROM IDENTIFYING, GUS

END PAGE ONE

XEROX

MR. DELOACH FOR THE DIRECTOR

PAGE TWO

HALL, KLING, CG FIVE EIGHT TWO FOUR-S ASTERISK, AND HIMSELF.

HE SAID AN "INDIVIDUAL," INTERESTED IN THE PEACE MOVEMENT, WAS RECENTLY IN AUSTRALIA, AND WHILE THERE, WAS IN CONTACT WITH A CLOSE FRIEND--A MEMBER OF THE AUSTRALIAN PARLIAMENT, WHO HAS TRAVELED IN THE USA. THIS AUSTRALIAN, WHO IS ALSO INTERESTED IN THE PEACE MOVEMENT, OBTAINED THE INVASION INFORMATION FROM A FRIEND, "A HIGH GOVERNMENT OFFICIAL," AND DIVULGED THE INFORMATION TO THE AFOREMENTIONED "INDIVIDUAL" FOR "TRANSMISSION TO THE PEACE MOVEMENT."

[REDACTED] DID NOT IDENTIFY THE AUSTRALIAN.

CG FIVE EIGHT TWO FOUR-S ASTERISK NOTED THAT ON SEVERAL OCCASIONS [REDACTED] REFERRED TO THE "INDIVIDUAL" AS "SHE," AND THAT WHEN THIS WAS CALLED TO HIS ATTENTION,

[REDACTED] QUICKLY REPLIED THAT HE HAD MEANT TO SAY "HE." (THIS LED CG FIVE EIGHT TWO FOUR-S ASTERISK TO BELIEVE THAT THE "INDIVIDUAL" IS A WOMAN.)

[REDACTED] FURTHER STATED THAT THE AFOREMENTIONED "INDIVIDUAL," UPON RETURNING FROM AUSTRALIA, FURNISHED THE PERTINENT INFORMATION TO A MEMBER OF THE WISCONSIN CPUSA STATE COMMITTEE, WHO MADE THE INFORMATION

END PAGE TWO

b6
b7c

PAGE THREE

AVAILABLE TO [] FOR TRANSMITTAL TO GUS HALL.

AFTER THIS CONFERENCE, CG FIVE EIGHT TWO FOUR-S ASTERISK FELT THAT [] WHO KNOWS CG FIVE EIGHT TWO FOUR-S ASTERISK ONLY CASUALLY, MIGHT BE MORE DISPOSED TO CONFIDE IN KLING, WITH WHOM HE IS BETTER ACQUAINTED, IF KLING PRIVATELY PRESSED

[] FOR MORE INFORMATION. THE INFORMANT INSTRUCTED KLING TO DISCUSS THE MATTER FURTHER WITH [] PRIVATELY. UPON RECONTACTING KLING ON ONE FIFTEEN, SIXTY EIGHT, CG FIVE EIGHT TWO FOUR - S ASTERISK LEARNED THAT [] VERY RELUCTANTLY HAD IDENTIFIED HIS SOURCE-- THE WISCONSIN CPUSA FUNCTIONARY-- AS [] AND ALSO THAT THE "INDIVIDUAL" WHO HAD OBTAINED THE INVASION INFORMATION FROM THE AUSTRALIAN MEMBER OF PARLIAMENT WAS A "RELATIVE OF [] NOT FURTHER IDENTIFIED. [] IN HIS FURTHER DISCUSSION WITH KLING, DID NOT IDENTIFY THE AUSTRALIAN.

[] ACCORDING TO KLING, IS OBVIOUSLY TERRIFIED BY THE THOUGHT THAT THE DISCLOSURE OF NAMES OF PEOPLE INVOLVED IN THIS MATTER COULD LEAD TO MOST SERIOUS

END PAGE THREE

b6
b7c

b6
b7c

PAGE FOUR

CONSEQUENCES FOR THEM AND FOR HIM.

CG FIVE EIGHT TWO FOUR - S ASTERISK POINTED OUT THAT SINCE, AS FAR AS HE KNOWS, ONLY [REDACTED] KLING, HALL AND THE INFORMANT ARE AWARE OF THIS MATTER, BUREAU INVESTIGATION MUST BE MOST CIRCUMSPECT IN ORDER TO PROTECT THE SECURITY OF CG FIVE EIGHT TWO FOUR - S ASTERIK.

b6
b7C

IN VIEW OF THE NATURE OF THIS MATTER, THE NYO SUGGESTS THAT THE BUREAU ISSUE INSTRUCTIONS REGARDING THE NATURE AND SCOPE OF ANY INVESTIGATION TO BE CONDUCTED TO IDENTIFY [REDACTED] RELATIVE, AND THE MEMBER OF THE AUSTRALIAN PARLIAMENT.

b6
b7C

EXTREME CAUTION MUST BE EXERCISED WITH RESPECT TO DISSEMINATION OF THE INFO HEREIN INASMUCH AS, BY ITS NATURE, SAID INFO TENDS TO IDENTIFY CG FIVE EIGHT TWO FOUR DASH S ASTERISK, A VALUABLE INFORMANT, AS THE SOURCE. UNLESS THIS INFO IS OBTAINED FROM A SOURCE OTHER THAN CG FIVE EIGHT TWO FOUR - S ASTERISK^K, IT SHOULD NOT BE INCLUDED -- EVEN IN PARAPHRASED FORM- IN THE INVESTIGATIVE SECTION OF A REPORT.

MAIL COPY TO CHICAGO AND MILWAUKEE.

END

HWL

FBI WASH DC

GMH
FTB ACK NY 1

CC MR. SULLIVAN & Mr. Putnam

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: January 17, 1968

1 - Liaison
1 - Mr. W. G. Shaw

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

CG 5824-S*, who previously advised that the Communist Party, USA (CPUSA), was sending a message to the Soviets alleging that the United States will invade North Vietnam on, or about, 1/29/68, has now learned that this information was furnished in confidence by Australian Parliament member to a relative of a CPUSA official who in turn made the information available to the CPUSA.

You will recall that on 1/8/68, CG 5824-S* received a message from Gus Hall, General Secretary, CPUSA, for transmission to the Soviets. This message stated that the invasion of North Vietnam by the United States is scheduled for, or about, 1/29/68, and that this decision was reached when U. S. President Johnson talked to allies in Australia in December. (This invasion information was disseminated by teletype on 1/9/68 to the White House, Secretaries of State and Defense, and Director of the Central Intelligence Agency). At that time, the informant only learned that Hall had obtained this information from [redacted] one of the Party leaders in Wisconsin. After obtaining our approval, CG 5824-S* sent Hall's message to the Soviets through the clandestine Solo communication apparatus. Informant is in a position to obtain any comments the Soviets may make to the CPUSA regarding this matter.

On 1/16/68, CG 5824-S*, pursuant to instructions of Gus Hall to obtain further details on this invasion information, conferred secretly with [redacted] and CPUSA official Jack Kling. [redacted] was very security conscious and appeared terrified by the thought that disclosure of the "people involved in this matter" could lead to most serious consequences. [redacted] very reluctantly identified his

Enclosures *sent 1-17-68*

100-428091

WGS:cst (6)

CONTINUED - OVER

6 JAN 22 1968

55 JAN 23 1968

REC 55

100-428091-6715

b6
b7C

b6
b7C

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

source as [] a local CPUSA official in Wisconsin, and the individual who obtained the invasion information as a relative of [] explained that [] relative, who was interested in the peace movement, recently returned from Australia where he was in contact with a close friend, who is a member of the Australian Parliament. This Australian Parliament member, who is also interested in the peace movement, reportedly obtained the invasion information from a friend, identified only as a "high Australian Government official." The Australian Parliament member, who [] did not identify, gave the invasion information in confidence to [] relative for transmittal to the "peace movement."

b6
b7C

CG 5824-S* pointed out that only Hall, [] Kling, [] and the informant are aware of this invasion information. Accordingly, our investigation into this matter must be most circumspect. In an effort to corroborate this information, our Milwaukee Office is being instructed to discreetly attempt to determine the identity of [] relative who recently returned from Australia.

b6
b7C

RECOMMENDATIONS:

1. That the attached teletype be sent to Milwaukee instructing that a discreet investigation be conducted to identify [] relative.

b6
b7C

2. That the attached teletype be sent to the White House, Secretary of State, Secretary of Defense, and Director of the Central Intelligence Agency (a copy to be furnished the Attorney General).

Handwritten notes and signatures at the bottom of the page, including "W.C.S." and "J.W.S." and a date stamp "11-2-54".

ROUTE IN ENVELOPE

1/22/68

airtel

1 - Mr. R. C. Putnam

To: SAC, Milwaukee

From: Director, FBI (100-428091) -6714

SOLO
INTERNAL SECURITY - C

REC 55

101

Reurtel 1/18/68 to Bureau and New York, copy mailed Chicago.

Attached for Milwaukee are two copies, for Chicago and New York one copy, of review of passport file of [redacted] who may be individual who received information from member of Australian Parliament that U. S. would invade North Vietnam.

b6
b7C

Milwaukee should check newspaper morgues in attempt to locate the Australian who reportedly spoke in Milwaukee in the Spring of 1967 and who may have invited [redacted] to visit him. If this individual is identified, promptly advise Bureau. Through liaison, Bureau will attempt to have [redacted] trip to Australia verified.

b6
b7C

WFO will be furnished copy of the passport review under [redacted] caption by separate letter to Milwaukee to protect source involved.

b6
b7C

Enclosures - 2

- 1 - Chicago (Enclosure)
- 1 - New York (Enclosure)

RCP:cst (6)

NOTE: CPUSA advised Soviets U. S. would invade North Vietnam on, or about, 1/29/68. CPUSA received this data from member of National Committee in Wisconsin who obtained his information from a relative of a member of Wisconsin State Committee. This individual reportedly received information from a member of the Australian Parliament who obtained it from a high Australian Government official. [redacted] appears most likely

b6
b7C

NOTE CONTINUED PAGE TWO.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

66 JAN 24 1968

MAIL ROOM ☐ TELETYPE UNIT ☐

Airtel to SAC, Milwaukee
RE: SOLO
100-428091

NOTE CONTINUED:

to be the individual who furnished this information. We are continuing investigation in attempt to identify Australian officials involved. Review of passport file telephonically furnished the Bureau by Special Agent [REDACTED] 1/19/68.

b6
b7c

VIA TELETYPE

JAN 18 1968

ENCIPHERED

Mr. Tolson _____
Mr. DeLoach _____
Mr. Mohr _____
Mr. Bishop _____
Mr. Casper _____
Mr. Callahan _____
Mr. Conrad _____
Mr. Felt _____
Mr. Gale _____
Mr. Rosen _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

8:57PM URGENT 1-18-68 JLD/MSE

TO DIRECTOR AND NEW YORK

NEW YORK VIA WASHINGTON

FROM MILWAUKEE

SOLO, IS - C.

REBUAIRTEL JANUARY SEVENTEEN LAST CAPTIONED, [REDACTED]

[REDACTED] IS-C," AND BUREAU TELETYPE JANUARY

SIXTEEN LAST AND BUREAU AIRTEL, JANUARY EIGHTEEN LAST,
CAPTIONED, "SOLO."

ON NOVEMBER TWENTYEIGHT, SIXTYSEVEN, CAPTAIN [REDACTED]

[REDACTED] MILWAUKEE, WIS. PD,

ADVISED [REDACTED] WROTE LETTER TO MILWAUKEE PD ASKING
FOR STATEMENT CONCERNING HER ARREST RECORD, INDICATING THIS
REQUEST WAS FOR "IMMIGRATION PURPOSES."

ON JANUARY EIGHTEEN LAST, [REDACTED] DETECTIVE,

[REDACTED] MILWAUKEE PD, ADVISED [REDACTED]

[REDACTED] WHO IS MEMBER OF CP OF WIS.'

REC 55

100-456071-6716

XEROX
JAN 1968

JAN 22 1968

RELAYED TO NY

PAGE TWO

STATE COMMITTEE, TRAVELLED TO AUSTRALIA IN SEPTEMBER,
SIXTYSEVEN, FOR THREE WEEKS AS GUEST OF INDIVIDUAL, POSSIBLY
PROFESSOR, WHO LIVES IN AUSTRALIA. [] ADVISED THIS
INDIVIDUAL, WHOSE NAME IS UNKNOWN, SPOKE IN MILWAUKEE IN
SPRING OF SIXTYSEVEN, AT WHICH TIME HE INVITED []
TO VISIT HIM IN AUSTRALIA AND OFFERED TO PAY HER EXPENSES.
[] FURTHER BELIEVES THAT [] PLANNED TO
TRAVEL TO AUSTRALIA IN LATE NOVEMBER, SIXTYSEVEN, TO
AGAIN VISIT THIS INDIVIDUAL; HOWEVER, HE DOES NOT KNOW IF
SECOND TRIP MADE.

MILWAUKEE CONTINUING DISCREET INVESTIGATION IN EFFORT
TO IDENTIFY INDIVIDUAL FROM AUSTRALIA AND TO DETERMINE IF
[] TRAVELLED TO AUSTRALIA IN NOVEMBER, SIXTYSEVEN.
COPY MAIL CHICAGO.

RECEIVED: 10:17PM MSE

b6
b7C

b6
b7C

ROUTE IN ENVELOPE

F B I

Date: 1/18/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

ReNYtel, 1/16/68.

On 1/17/68, CG 5824-S* transmitted to the Soviets via a New York City drop, ciphered-partially coded microfilmed messages, the plain texts of which are as follows:

(1) "CCCPSU Urgent

"Upon instructions from GUS HALL, the following information concerning North Vietnam is being sent to you: Members of family of a leading CPUSA comrade recently visited Australia. Had confidential contact with intimate friend who is a member of Parliament and close to high government sources. Information confided regarding date of invasion and escalation of war. Member of Parliament desired this information be given to U.S. Peace leadership but required pledge that it be used in most discreet and confidential manner. He emphasized the information must not be used in any manner that will jeopardize his security and his relations with his government sources.

"CG 5824-S"

(See NY airtel, 1/10/68, and NY tel, 1/16/68)
 3 - Bureau (RM)
 1 - Chicago (134-46-Sub B) (AM RM)
 1 - NY 134-91 (INV) (41)
 1 - NY 105-14931-Sub C (TALANOV) (341)
 1 - New York (41)

ACB:msb
 (8)

REC 78

100-428091-6717

6 JAN 28 1968

Approved: [Signature]
 Special Agent in Charge

Sent _____ M Per _____

NY 100-134637

(2) "CCCPSU Urgent

"National Committee CPUSA meeting adjourned today. Elaborate plans for 1968 Elections, daily paper and convention preparations. We are awaiting promised answer to our request for 1968.

"CG 5824-S*"

(GUS HALL is asking the Soviets for their answer to his 1968 request for financial assistance.)

(3) "Drop PEG next. If unavailable use
drop LISA."

ROUTE 1: ENVELOPE

F B I

Date: 1/17/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

On 1/15/68, CG 5824-S* advised that, pursuant to instructions from GUS HALL, he had sent during the first week of January a letter from HALL to WILLIAM KASHTAN, head of the Canadian CP, the letter having been sent to KASHTAN through a Canadian drop.

The letter, a Xerox of which is attached hereto, reflects that HALL desires JIM LUSTIG (Bufile 100-7166), Editor of the Communist Hungarian newspaper in New York, "Amerikai Magyar Szo," confer in Canada with the editor of the Canadian Hungarian newspaper, for the purpose of unifying the "lines" of their respective newspapers. Q

CG 5824-S* further advised that on 1/15/68, KASHTAN replied to HALL's note, via a New York City drop, stating that he would look into the matter and advise when a meeting between LUSTIG and the Canadian editor could be arranged.

A Xerox of KASHTAN's note to HALL, addressed to the latter as "MICHAEL," is attached hereto. Only the first paragraph of the said note has reference to instant matter. The second paragraph of the note has reference to the fact that a Canadian drop generally used will not be available for a month and that any messages from the CPUSA to the CP of Canada during this period be sent to KASHTAN's home at 20 Shallmar Blvd., Apt. 701, Toronto 10, Ontario.

- 904, 9+D with 18/26.
 3 - Bureau (RM) (Enc. 2)
 1 - Chicago (134-46-Sub B) (AM RM) (Enc. 2)
 1 - NY 134-91 (INV) (41)
 1 - NY 100-134637 (41) (Att. 2), 102 100-113 1-6718
 5.08

ACB:msb

(7)

REC-68

Approved: [Signature]
 Special Agent in Charge

Sent _____ M Per _____

NY 100-134637

The third paragraph in the above-mentioned reply letter of KASHTAN's has reference to the international preparatory meeting of Communist parties, scheduled to be held in Budapest on 2/29/68. KASHTAN notes that the Canadian CP will send a delegation to the said preparatory meeting.

Dec 31, 1967

Dear Bill:

I suppose by now you have returned back to your normal self and normal activities after the long trip. I must say it seems like years ago already.

Let me just raise one small matter. A situation has begun to develop between the Hungarians who publish the Left-progressive Hungarian paper here and its counterpart in your country. The paper here is now edited by a very able comrade, Jim Lustig, who has a lifetime of experience in the trade union movement, having been a full time organizer for many years with the U.E. He is really doing a remarkable job not only of editing the paper along a correct political path but it is the only language paper here that is growing in circulation and influence. Under his editorship the paper takes on popular struggles such as social security, old age pensions movement, and has a very correct political line on all international questions, etc.

This has come about as a result of a struggle within the leadership amongst the Hungarians. Some elements who fought for a narrow approach on his line were pushed to the sidelines and isolated from any movements and developments. Now some of these elements are beginning to gather around the left Hungarian paper published in your country. One of them wrote a completely onesided article on the Tri-Continental Congress in Havana which the Hungarian paper here refused to publish. This article was published by the Hungarian paper in your country plus a great article of praise to the writer as being a great Marxist-Leninist. We really know very little about this gentleman in Mexico who wrote this article.

Also one of the elements that was isolated comes from Los Angeles. He has, I understand, now attached himself to the Hungarian paper in your country.

If it is possible, it seems we should try to head off any situation developing between these two papers and instead, if possible, we should take some steps to get them to work together. I think that both could benefit from such relationships.

One of the suggestions from here would be that if the editor of the paper in your country would agree to invite Lustig for a visit there, he would be very glad to come to exchange thoughts and work out problems. If this takes place and if it is possible, I think it would be good if somebody from your leadership would participate in some form in such an exchange.

It was very nice to see you again and I consider it very important for me and for my work to get to know comrades like you and the other Canadian comrades better.

Let me take this opportunity to wish the very best of New Year wishes to you and your family and to the rest of the comrades.

Comradely,

ENCLOSURE

Gus Hall

100-42555-1

6718

January 9, 1968

Dear Michael:

Thanks for your message of cheer for the New Year and thanks too for the note and enclosure. Will look into the matter of the paper and advise you when such a get together might be arranged.

Incidentally the folks who got your note will be on vacation for a month so if there is something urgent write me at home: 20 Shallmar Blvd. Apt. 701, Toronto 10, Ontario.

Have you settled yet who is going to consult? We may send 2 or 2 and it was suggested I lead it.

Hope you had a pleasant New Year. 1968 should be a lively year. It is certainly showing the creaks and crevices around devaluation and the dollar and may dispel many illusions among those who lean on the almighty dollar.

All the best to you and yours,

As ever,

B.

ENCLOSURE

6718

VIA TELETYPE
JAN 19 1968
ENCIPHERED

Mr. Tolson _____
Mr. DeLoach _____
Mr. Mohr _____
Mr. Bishop _____
Mr. Casper _____
Mr. Callahan _____
Mr. Conrad _____
Mr. Felt _____
Mr. Gale _____
Mr. Rosen _____
Mr. Sullivan _____
Mr. Tavel _____
Mr. Trotter _____
Tele. Room _____
Miss Holmes _____
Miss Gandy _____

935PM URGENT 1-19-68 MRF/MSE

TO DIRECTOR AND NEW YORK

NEW YORK VIA WASHINGTON

FROM MILWAUKEE

SOLO IS-C.

RE MYTEL JANUARY EIGHTEEN LAST.

ON JANUARY NINETEEN, INSTANT, [REDACTED] DETECTIVE [REDACTED]

[REDACTED], MILWAUKEE PD, ADVISED THAT ACCORDING TO THEIR
RECORDS SENATOR (FNU) WESTLY FROM AUSTRALIA WAS GUEST OF [REDACTED]

[REDACTED] IN MILWAUKEE, WIS. JUNE EIGHTEEN, SIXTYSEVEN. RECORDS

FURTHER REFLECT WESTLY WAS MAKING SPEAKING ENGAGEMENTS

THROUGHOUT COUNTRY IN WHICH HE TALKED ABOUT U.S. INVOLVEMENT

IN VIETNAM, WITH WHICH HE WAS NOT IN ACCORD. REPORTEDLY HE HAD

SPOKEN BEFORE AUSTRALIAN PARLIAMENT AGAINST U.S. POLICY IN

VIETNAM. WESTLY DESCRIBED AS WHITE-MALE, LATE FORTIES OR EARLY

FIFTIES, ONE HUNDRED FIFTYFIVE POUNDS SLENDER BUILD, FRECKLES,

REDDISH GREYING HAIR.

NO INFO DEVELOPED WHICH CONFIRMED [REDACTED] TRAVEL

TO AUSTRALIA IN NOVEMBER, SIXTYSEVEN. LEAD BEING SET OUT

57 JAN 29 1968

RELAYED TO NY

REC-68

100-428991-6719

b6
b7C

b6
b7C

PAGE TWO

SEPARATELY FOR WFO UNDER CAPTION TO CHECK PASSPORT RECORDS, STATE DEPARTMENT, FOR ALL PERTINENT DATA.

b6
b7c

REFERENCE SECTION, MILWAUKEE PUBLIC LIBRARY AND MILWAUKEE JOURNAL LIBRARY CONTAIN NO INFO RE FNU WESTLY.

INS, CENTRAL OFFICE, WASHINGTON, D.C. SHOULD BE IN POSSESSION INFO RE ENTRY AND DEPARTURE OF FNU WESTLY. IN VIEW OF SENSITIVITY OF INVESTIGATION, IT IS BEING LEFT TO DISCRETION OF NEW YORK TO SET OUT THIS LEAD.

COPY MAILED TO CHICAGO.

RECEIVED: 10:47PM MSE

ROUTE IN ENVELOPE

SAC, New York

1/24/68

Director, FBI (100-428091)

1 - Mr. R. C. Putnam

ST-0
SOLO
INTERNAL SECURITY - C

ReMITel 1/19/68, which stated "INS, Central Office, Washington, D. C., should be in possession info re entry and departure of FNU Westly. In view of sensitivity of investigation, it is being left to discretion of New York to set out this lead."

This will confirm telephonic instructions furnished to Supervisor [redacted] your office, by Section Chief C. D. Brennan, 1/22/68. If necessary to have this lead covered, Bureau will instruct WFO to handle.

b6
b7C

1 - Chicago
1 - Milwaukee

WGS:cst
(6)

NOTE:

Data received CPUSA advised Soviets U. S. would invade North Vietnam on, or about, 1/29/68. Investigation shows information came to CPUSA from daughter of Party functionary in Wisconsin who had visited Australia. She obtained data from Australian Parliament member who allegedly obtained it from a high Australian Government official. FNU Westly may be former. We are checking through [redacted]

b7D

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAILED 19
JAN 25 1968
COMM - FBI

REC-68

100-428091 6720

6 JAN 24 1968

JAN 29 1968

MAIL ROOM ☐ TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 1/18/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

Re previous correspondence concerning the investigation being conducted by the Securities and Exchange Commission into alleged manipulation of stocks being traded on the American Stock Exchange.

Enclosed herewith for the Bureau and New York is one copy each of a newspaper clipping from the "New York Times" of January 17, 1968. The contents are self-explanatory and the clipping is being furnished for information purposes only.

- 2 - Bureau (Encls. 1) (RM)
1 - New York (100-134637) (Encl. 1) (Info) (RM)
1 - Chicago

WAB:mes
(4)

REC-28

6721



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

ENCLOSURE TO BUREAU

One (1) copy of newspaper clipping from
"New York Times" of 1/17/68

Bureau 100-428091
Chicago 134-46 Sub B



6721

The New York Times

WEDNESDAY, JANUARY 17, 1968

61

6 MORE INDICTED IN PENTRON CASE

Defendants in Stock-Fraud
Case Seen Unconnected
With 6 Accused in June

2 ON NEW LIST HAVE DIED

One of 4 Others Is Official
of a Pro Basketball Team,
New Jersey Americans

By TERRY ROBARDS

Six persons, including an organizer of the New Jersey Americans of the American Basketball Association, were indicted by a Federal grand jury here yesterday on charges that they had rigged the shares of the Pentron Electronics Corporation on the American Stock Exchange.

The six were charged with fraud and conspiracy in what United States Attorney Robert M. Morgenthau described as "a national and international scheme" to manipulate the price of Pentron. The company, a producer of railroad equipment and housewares, is based in Hammond, Ind.

The indictment was the second in eight months involving trading in Pentron. An earlier indictment, handed down last June 1, named six other defendants. They are not believed to be connected with the six defendants named yesterday.

West Point Athlete

The organizer of the New Jersey Americans who was indicted yesterday is Mark P. Binstein, 33 years old, of Teaneck, N. J. Mr. Binstein, a high-scoring player on the Army basketball team of 1954-55, is believed to be one of the business managers of the New Jersey team.

Reached at the team's office in Teaneck yesterday, Mr. Binstein said he planned to plead not guilty to the charges against him and said he was "merely a middle man" in the alleged plot. He asserted that he had cooperated fully with the Government in its investigation.

He was identified by Mr. Morgenthau as a former stockholder for Pyne, Kendall & Hollister, a member firm of the New York Stock Exchange. Mr. Binstein declined to confirm that he was the business manager of the New Jersey Americans, but sources in the sports world said he was well-known as one of the team's top officials.

Two Brothers Dead

Two of the five other men named in the indictment had died, without the knowledge of the United States Attorney's office, before the indictment was handed down. They are Frank Kaftel of Paris and Dr. Marcus Kaftal of Manhattan. They were brothers, although their names were spelled differently.

Frank Kaftel, who died Monday night in Boston, was described as a Canadian citizen who lived in Paris at the George V Hotel and who published an investment advisory letter in Luxembourg.

Dr. Marcus Kaftal, a physician, died last August, according to his daughter. His death

Continued on Page 72, Column 1

6 MORE INDICTED IN PENTRON CASE

Continued From Page 61

was not known to the Government until a reporter tried to reach him at his former home in Manhattan. Mr. Morgenthau later said that Dr. Kaftal's death had been confirmed.

Mr. Morgenthau explained that Dr. Kaftal had not been a witness before the grand jury. He also said that the indictment had been expected some time ago but had been delayed. He said notification of Frank Kaftel's death had not been received until after the indictment was handed down.

Also named a defendant was Jerome Allen, 40, of 118 East 60th St., one of the publishers of the Stoller-Allen Survey, an investment advisory service. Mr. Allen was said by an associate to be returning from Switzerland by air.

The other defendants are Alexander Brown, 58, of 86 Montague St., Brooklyn, and Ned Leigh, 52, of Hollywood, Calif. Neither could be reached for comment. Mr. Brown was described by Mr. Morgenthau as a former broker for Dishy, Easton & Co. and for Paster-nak & Co. Mr. Leigh was said

to be a former broker for Ira Haupt & Co., now defunct.

The indictment charged that Mr. Binstein had obtained the right to sell a block of more than 100,000 shares of Pentron stock in 1963 from persons who had been officers and directors of the company and then, aided by Mr. Brown, set about creating demand in the market for the shares.

Mr. Morgenthau alleged that Mr. Binstein and Mr. Brown had made secret payments to Mr. Leigh and to Mr. Allen, who at the time was a stock salesman with Reuben Rose & Co. in New York. The United States Attorney said payments also had been made to Frank Kaftel through his brother, Dr. Marcus Kaftal. Frank Kaftel allegedly was paid to promote the stock in Europe.

Mr. Morgenthau also alleged that bribes had been paid to Martin Fabrikant, then the president of the Fabrikant Securities Corporation, a Manhattan over-the-counter securities concern, and to three of his salesmen to get them to sell the Pentron stock to their customers.

Mr. Fabrikant and his salesmen were named as co-conspirators but not as defendants. Bribes also were allegedly paid to Samuel Golub, formerly of Miami Beach, who died last November.

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *JCW*

DATE: January 24, 1968

FROM : *EF* G. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY - C

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 1/24/68, transmissions were heard by the Bureau's radio station at Midland at which time a message, NR 362 GR 35, was intercepted.

The plain text and cipher text are attached.

The New York Office is aware of the contents.

ACTION:

For information.

Enclosure

Q
ENCLOSURE

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attention: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS HS:drv
(7)

REC-28

100-428091-6722
6 JAN 26 1968

58 JAN 26 1968

NR 0362 GK 035

01/24/68

1/24/68

86509 47486 23096 62345 23548 68489 73525 94428 47670 02443

73286 71677 59384 26596 32831 85913 3/900 50882 28975 04829

21386 30295 38488 01375 04259 83477 91121 86948 50701 51051

77750 42564 09890 98108 45808.

NR 0362 GR 035

01/24/68

PLEASE COME TO NEXT SISTER #29# (R) #29# (R) JANUARY USUAL T
IME. CONFIRM YOUR READINESS FOR SISTER BY POLL TODAY AT POLL
TIME

NOT COPIED

100-424071-6722

~~CONFIDENTIAL~~

1 - Liaison
1 - Mr. W. H. Floyd
1 - Mr. R. C. Putnam

January 23, 1968

[REDACTED]
OKLAHOMA CITY, OKLAHOMA

Reference is made to the memorandum dated December 27, 1967, captioned as above.

The following additional information has been developed concerning subject.

[REDACTED]
a member of the Wisconsin State Committee, Communist Party, USA. [REDACTED] has participated in activities protesting United States actions in Vietnam in a leadership capacity. During September, 1967, he traveled to Czechoslovakia to attend the Bratislava Peace Conference as an official of the Vietnam Summer Project, an anti-Vietnam war organization in the United States.

In the Spring of 1967, [REDACTED] was invited to visit Australia at no expense by an Australian male (not further identified at this time), who delivered a speech in Milwaukee, Wisconsin, at that time.

She is reported to have visited Australia in the latter part of 1967 and to have made contacts there with individuals who are active in the "Peace Movement."

[REDACTED] have been active in communist youth activities and in peace demonstrations. In view of the foreign travel by both, it appears they may be making contacts for the international peace movement on behalf of sympathetic groups in the United States.

100-442954

1 - 62-74549 [REDACTED]

1 - 100-428091, (Solo)

RCP:cst
(8)

Delivered to Washington Representative of [REDACTED] on 1/22/68 by [REDACTED]

~~CONFIDENTIAL~~

100-428091-11

NOT RECORDED

170 JAN 23 1968

SEE NOTE PAGE TWO.

SEE ADDENDUM PAGE THREE.

b6
b7C

b6
b7C

b6
b7C

b6
b7C

ORIGINAL FILED IN
b7D

~~CONFIDENTIAL~~

[REDACTED]

It would be appreciated if you could furnish information regarding the subject's activities and contacts while she was in Australia. Subject is described as follows:

| | |
|-----------------|--|
| Race: | white |
| Sex: | female |
| Height: | 5 feet, 0 inches |
| Hair: | dark brown |
| Eyes: | grey (wears glasses) |
| Marks: | brown mole near left eyebrow, neutral mole to left of nose |
| Occupation: | [REDACTED] |
| Marital status: | [REDACTED] |

b6
b7C

Attached for your assistance is a photograph of the subject.

NOTE:

Classified "~~Confidential~~" since data reported could conceivably identify sources, the unauthorized disclosure of which could adversely affect the national defense interests.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

[REDACTED]

ADDENDUM:

Information has just been received indicating that the Australian male, mentioned above, may be identical with a Senator Westly from Australia, who was the guest of [REDACTED] in Milwaukee, Wisconsin, on June 18, 1967. At that time, Westly talked against United States involvement in Vietnam. Westly, reportedly, has spoken before the Australian Parliament against United States policy in Vietnam.

b6
b7C

Westly is described as follows:

| | |
|-------------|-----------------------|
| Race: | white |
| Sex: | male |
| Age: | late 40s or early 50s |
| Weight: | 150 pounds |
| Build: | slender |
| Complexion: | freckled |
| Hair: | reddish (greying) |

~~CONFIDENTIAL~~

ROUTE IN ENVELOPE

1/25/68

airtel

1 - Mr. R. C. Putnam

To: SAC, Milwaukee

From: Director, FBI (100-428091)

SOLO

INTERNAL SECURITY - C

Reurtel 1/19/68, which advised that one Senator (FNU) Westly from Australia was guest of [redacted] in Milwaukee, Wisconsin, on 6/18/67. It stated Westly was making speaking engagements throughout the country in which he was critical of United States involvement in Vietnam.

b6
b7C

The [redacted]

b7D

[redacted] has advised that this individual is probably identical with Australian Senator John Murray Wheeldon, who visited the United States in June and July, 1967, at the invitation of the National Committee for a Sane Nuclear Policy. At that time, Wheeldon was accompanied by James Ford Cairns, a top official of the Labor Party in Australia who is the chief critic of the Australian Government's foreign policy and operates as the opposition party's Minister of External Affairs in its "Shadow Cabinet." Cairns is also a former deputy leader of the Australian Labor Party.

MAILED 22
JAN 25 1968
COMM - FBI

[redacted] advised that when [redacted] submitted an application for an Australian visa in 8/67, she listed her proposed address in Australia as c/o Senator John M. Wheeldon, Commonwealth Parliamentary Offices, Perth, Western Australia.

b6
b7C
b7D

In view of the foregoing, promptly and discreetly contact appropriate sources in an effort to determine if the individual referred to as Senator (FNU) Westly is identical with

1 - Chicago (134-46 Sub B)
1 - New York (100-134637)

RCP:cst
(6)

REC-28

6 JAN 26 1968

SEE NOTE PAGE TWO.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☒ TELETYPE UNIT ☐

Airtel to SAC, Milwaukee
RE: SOLO
100-428091

Senator John Murray Wheeldon. Also review pertinent newspapers covering that period to develop additional information which would assist in pinning this association down. Suairtel results of your investigation in this matter.

[] is very interested in the status of []
[] has requested to be advised of pertinent developments. In view of this interest, you should closely follow [] When pertinent action occurs, submit a letterhead memorandum under [] caption. In the cover communication, it will not be necessary to reference this communication but it should be noted that the information in the attached memorandum might be of interest to [] because of [] previous association with Senator John M. Wheeldon of Australia.

b6
b7C
b7D

NOTE:

Data received CPUSA advised Soviets that U. S. would invade North Vietnam on, or about, 1/29/68. Investigation disclosed information came to CPUSA from [] of CP functionary in Wisconsin, who had visited Australia. She obtained data from Australian Parliament member, who allegedly obtained data from high Australian Government official. Investigation has revealed that the CP official's [] is [] and that the Australian Parliament member may be one Senator (FNU) Westly. [] has advised that Westly may be identical with Australian Senator J. M. Wheeldon, and Milwaukee is being instructed to endeavor to determine this.

b6
b7C
b7D

VIA TELETYPE

JAN 23 1968

ENCIPHERED

C. I. A.
RELEASE

| | |
|--------------|-------|
| Mr. Tolson | _____ |
| Mr. DeLoach | _____ |
| Mr. Mohr | _____ |
| Mr. Bishop | _____ |
| Mr. Casper | _____ |
| Mr. Callahan | _____ |
| Mr. Conrad | _____ |
| Mr. Felt | _____ |
| Mr. Gale | _____ |
| Mr. Rosen | _____ |
| Mr. Sullivan | _____ |
| Mr. Tavel | _____ |
| Mr. Trotter | _____ |
| Tele. Room | _____ |
| Miss Holmes | _____ |
| Miss Gandy | _____ |

KO

PP ESV

DE ESC 239 0232125

ZNY SSSSS

P 232051Z JAN 68

FM DIRECTOR CIA

TO DIRECTOR FBI

BT

~~SECRET~~

CIA NBR 68842

SUBJECT: COMMUNIST PARTY, USA, INTERNATIONAL RELATIONS

REQUEST PERMISSION PASS SUBSTANCE YOUR TELETYPE OF 17 JANUARY

TO THE [REDACTED] IN ORDER

TO DETERMINE IDENTITY OF MP SOURCE

~~SECRET~~

BT

*Mr. [REDACTED] CIA was advised
that we already have established
contact with [REDACTED] and we will
furnish CIA results*

*REC-25
1/24/68*

JAN 29 1968

NNNN

RECEIVED CIA WEO AT 430PM EXR

79 JAN 31 1968

XEROX

JAN 30

*5- file in
100-428091 only*

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan *CB*

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: January 24, 1968

1 - Liaison
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

PURPOSE:

This memorandum recommends teletype dissemination to the White House and top-level Government officials of information developed for locating the source of information in Australia that the United States would invade North Vietnam on, or about, 1/29/68.

BACKGROUND:

You will recall that through our Solo Operation we developed information that Gus Hall, General Secretary, Communist Party, USA, furnished the Soviets information that the United States would invade North Vietnam on, or about, 1/29/68. It was later learned that the Communist Party, USA, received this information from a member of the Australian Parliament who allegedly obtained it from a high Australian Government official. This information has been disseminated. *Q*

Our investigation has disclosed that Hall received this information from a Communist Party, USA, National Committee member in Wisconsin who, in turn, received it from the daughter of a Wisconsin Communist Party, USA, official. The daughter has been identified as [redacted] whose [redacted] Communist Party, USA, official in Wisconsin. [redacted] has been friendly with Australian Senator John Murray Wheeldon, who visited the United States in the Summer of 1967 on invitation of the National Committee for a Sane Nuclear Policy, a pacifist organization opposed to United States actions in Vietnam. Wheeldon was accompanied by James Ford Cairns, a top Australian Labor Party official.

Enclosure *sent 1-25-68*

100-428091

RCP:cst
(6) *cst*

REC-25

REC-25

JAN 29 1968

CONTINUED - OVER

79 JAN 31 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

Cairns opposes foreign policy of the Australian Government and operates as the opposition party's Minister for External Affairs in its "Shadow Cabinet." While on tour, they made speeches in various cities, including Milwaukee, Wisconsin.

[redacted] applied for a visa to visit Australia in late 1967 and on visa application indicated her address in Australia would be in care of Wheeldon.

b6
b7c

OBSERVATION:

It would appear that Wheeldon is the member of the Australian Parliament who passed the information on and it is possible that Cairns may be the high Australian Government official. We are continuing our investigation to develop additional details and you will be kept advised.

RECOMMENDATION:

That the attached teletype be sent to the White House, Secretary of State, Secretary of Defense (through Director of Defense Intelligence Agency), and Director of Central Intelligence Agency. A copy will be furnished to the Attorney General.

Handwritten marks:
J, GH, [unclear], ✓, ~~AD~~, GK, H, ds

ROUTE IN ENVELOPE

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Liaison

CODE

1/25/68

TELETYPE 1 - Mr. W. G. Shaw

URGENT

SENT BY CODED TELETYPE

TO THE WHITE HOUSE, SITUATION ROOM
ATTENTION: MRS. MILDRED STEGALL
SECRETARY OF STATE
DIRECTOR OF DEFENSE INTELLIGENCE AGENCY
DIRECTOR OF CENTRAL INTELLIGENCE AGENCY

FROM DIRECTOR FBI (100-428091)

~~(SECRET)~~ COMMUNIST PARTY, USA, INTERNATIONAL RELATIONS.

MY TELETYPE JANUARY SEVENTEEN LAST IN THIS MATTER ADVISED THAT INFORMATION FURNISHED TO THE SOVIETS RELATING TO THE UNITED STATES INVASION OF NORTH VIETNAM ON, OR ABOUT, JANUARY TWENTY-NINE NEXT WAS FURNISHED TO GUS HALL, GENERAL SECRETARY, COMMUNIST PARTY, USA, AND WAS ALLEGEDLY OBTAINED FROM A MEMBER OF THE AUSTRALIAN PARLIAMENT. THIS INDIVIDUAL SUPPOSEDLY OBTAINED IT FROM A HIGH AUSTRALIAN GOVERNMENT OFFICIAL.

INVESTIGATION HAS DISCLOSED THAT HALL RECEIVED THIS DATA FROM COMMUNIST PARTY, USA, SOURCES IN WISCONSIN. AUSTRALIAN SENATOR JOHN MURRAY WHEELDON AND JAMES FORD CAIRNS, A TOP AUSTRALIAN LABOR PARTY OFFICIAL, TOURED THE UNITED STATES THIS PAST SUMMER MAKING SPEECHES ON BEHALF OF THE NATIONAL COMMITTEE FOR A SANE NUCLEAR POLICY, A PACIFIST ORGANIZATION OPPOSED TO UNITED STATES ACTIONS IN VIETNAM. THEY VISITED MILWAUKEE,

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

RCP:cst

INITIALED
DIRECTOR'S OFFICE

SEE NOTE PAGE TWO.

79 JAN 31 1968

TELETYPE UNIT ☐

TELETYPE TO THE WHITE HOUSE, SITUATION ROOM
ATTENTION: MRS. MILDRED STEGALL
RE: COMMUNIST PARTY, USA
100-428091

WISCONSIN, ON THIS TOUR. CAIRNS IS A MAIN CRITIC OF THE
FOREIGN POLICY OF THE AUSTRALIAN GOVERNMENT AND OPERATES
AS THE OPPOSITION PARTY'S MINISTER FOR EXTERNAL AFFAIRS IN
ITS "SHADOW CABINET." HE IS VIOLENTLY OPPOSED TO UNITED STATES
ACTIONS IN VIETNAM.

[REDACTED] COMMUNIST
PARTY, USA, OFFICIAL IN WISCONSIN, APPLIED FOR A VISA TO
VISIT AUSTRALIA IN THE FALL OF ONE NINE SIX SEVEN. IN
APPLICATION FOR A VISA, SHE LISTED HER ADDRESS IN AUSTRALIA
AS IN CARE OF SENATOR JOHN M. WHEELDON, COMMONWEALTH
PARLIAMENTARY OFFICE, PERTH, WESTERN AUSTRALIA. INVESTIGATION
IS CONTINUING AND YOU WILL BE PROMPTLY ADVISED WHEN ADDITIONAL
INFORMATION IS DEVELOPED.

b6
b7C

GP-1

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C.
Sullivan, dated January 24, 1968, captioned "Solo, Internal
Security - Communist," prepared by RCP:est.

Classified "~~Secret~~" since unauthorized disclosure
of this information could reveal identity of source (CG 5824-S*),
who is of continuing value and such revelation could result
in grave damage to the Nation.

Information obtained from New York teletype
1/16/68, captioned "Solo. IS-C." and orally from [REDACTED]
Liaison Officer, [REDACTED]
1/24/68.

b7D

STATE PLS ACK FOR FBI 03 NBR 02 WIL COME SHORTLY GA PLS AND ACK

REC UR FBI003 AT 251806Z

WHITE HOUSE PLS ACK FOR FBI 02 GA AND ACK PLS

DE WH AND ACK FOR YOUR 02 12:51 PM KK

CIA PLS ACK FOR FBI 02 GA AND ACK PLS

QSL 02 "77 251812Z

DIA PLS ACK FOR FBI 02 BY PHONE

AA ACKS FOR DIA FOR FBI 02

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/24/68

On January 17, 1968, the Chicago Office received in the mail drop box maintained in the name of MILTON ADAMS, Box 4367, Chicago, Illinois 60680, for CG 5824-S*, an airmail communication from the Brazilian Communist Party (CP). This communication was postmarked Brazil, dated January 10, 1968.

The contents of this communication consisted of a copy of "Voz Operaria," Number XXXV, January 1, 1968, the monthly publication of the Brazilian CP, and a 19 page pamphlet entitled "Resolucao Politica, Vi Congresso Do Partido Comunista Brasileiro."

Enclosed herewith for the Bureau are two positive photostat copies each and for New York one positive photostat copy each of the above two publications.

The communication and its contents will be turned over to CG 5824-S* for eventual transmittal to GUS HALL, General Secretary, CP, USA.

- 2 - Bureau (Encls. 4) (RM)
1 - New York (100-134637) (Encls. 2) (Info) (RM)
1 - Chicago

RAV:mes
(4)

REC-14 6 JAN 30 1968



FEB 14 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

1 - Mr. C.G. Sullivan

SAC, Chicago (134-46-Sub B)

1/30/68

Director, FBI (100-428091) - 6728

SOLO
IS - C EX-105

ReCGlet 1/3/68.

In accordance with your request identifying data concerning the \$18,792 of American currency furnished by relet has been included in the Tramus indices 1/24/68. The Xerox copy of above currency furnished by relet is being destroyed.

- 1 - Chicago (65-4302)
- 2 - New York (100-134634) (65-17696)

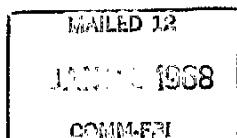
1 - 65-65405

CGS:emc
(8)

NOTE:

By relet Chicago furnished 69 Xerox pages of U.S. currency totaling \$18,792. Furnished to the CP-USA by the CP-USSR, with the request that such currency be included in the Tramus indices. This has been done and Chicago being so advised.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____



55 FEB 2 1968

MAIL ROOM ☐ TELETYPE UNIT ☐

UNRECORDED COPY FILED IN

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)
(65-65405)

FROM : SAC, CHICAGO (134-46 Sub B)
(65-4302)

SUBJECT: SOLO
IS - C

TRAMUS
ESP - R
(OO: NEW YORK)

DATE: 1/3/68

Enclosed herewith for the Bureau and the New York Office are 69 Xerox pages each of U.S. currency totalling \$18,792.00. These funds were furnished to the Communist Party (CP), USA by the International Department of the Central Committee, CP of the Soviet Union, during the latter part of November, 1967, and were made available to the Chicago Office by CG 5824-S* on December 5, 1967. Details concerning the manner in which CG 5824-S* obtained these funds are contained in Chicago airtel January 3, 1968, captioned Solo.

The Bureau is requested to record the serial numbers on the pertinent bills enclosed herewith in the Tramus indices maintained on the automatic data processing equipment at the Bureau. One set of the Xerox pages of this currency is maintained in the 1A exhibit of the Chicago Solo file. The original currency has been returned to CG 5824-S*.

- 4 - Bureau (Encls. 69) (RM)
2 - New York (Encls. 69) (RM)
1 - 100-134637 (SOLO)
1 - 65-17696 (TRAMUS)
2 - Chicago

WAB:mes
(8)

REC-42 100-428091-6728

JAN 31 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

UNRECORDED COPY FILED IN

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. D. J. Brennan

DATE: January 26, 1968

1 - Mr. C. D. Brennan
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

PURPOSE:

The purpose of this memorandum is to record the conference held today between [redacted] of the [redacted], you, and me regarding the data received from Australian sources by the Communist Party, USA, that the United States will escalate the war in Vietnam.

b6
b7C
b7D

BACKGROUND:

You will recall, that through our Solo Operation we developed information that Gus Hall advised the Soviets that the United States would invade North Vietnam on, or about, 1/29/68. We later learned that the Party received this information indirectly from a member of the Australian Parliament, who allegedly obtained it from a high Australian Government official.

Through investigation, we determined Hall received his information from a member of the Party's National Committee in Wisconsin, who got it from the [redacted] of a Party functionary in Wisconsin. [redacted] was identified as the individual who received the information from a member of the Australian Parliament.

b6
b7C

When the initial data was developed, a paraphrased version was furnished [redacted] to secure its assistance in identifying the Australians involved. Through [redacted] we identified the Australian member of Parliament as Senator John M. Wheeldon and it appears we also identified the high government official in Australia as James F. Cairns, a top Australian Labor Party official who is violently opposed to United States actions in Vietnam.

b7D

100-428091

RCP:cst
(6)

↓ REC-20 ↓
↓ EX-105 ↓
CONTINUED - OVER

6 FEB 1 1968

79 FEB 7-1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

Information set forth above has been previously disseminated to interested top officials of our Government.

During his visit today, [] advised that [] is pressing an application for a migrant visa to Australia. You will recall she visited Australia in the Fall of 1967 as a guest of Senator Wheeldon. [] requested a conference to clear with us information he wished to send under a "~~Top Secret~~" label for the personal information of [] Director General of [] concerning this matter. Since the information furnished [] was paraphrased to protect our source and if handled under proper security precautions could not jeopardize our source, he was advised that there was no objection to his furnishing the information to [] He was also advised that his cooperation in this matter was appreciated.

b6
b7C
b7D

ACTION:

For information.

[Handwritten signatures and initials: "z", "A", "J", "W", "✓", "B", "NR"]

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : J. A. Sizoo

SUBJECT: NY 694
SOLO

DATE: January 29, 1968

1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Mr. R. C. Putman
1 - Mr. M. F. Row
1 - Mr. J. A. Sizoo

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Special Agent in Charge, Howell called from New York in connection with the SOLO case this morning and advised that New York had discussed with NY 694 in Miami the message which has just been received from the Soviets which requires testing of the signaling system with the informant.

While the informant has not recovered his health and wishes to spend more time in Miami, he agreed that it would be essential for him to come to New York at this time to test the signaling system in accordance with the Soviet's request. He is, therefore, flying to New York today and after the tests and other business in New York, will return to Miami on Friday. Under the circumstances, it was New York's recommendation that the Bureau pay for his round-trip ticket in Miami to New York and return. His wife will be staying in Miami.

ACTION:

I authorized New York to notify Miami that the Bureau should bear the expenses of this round-trip travel on the part of this informant.

JAS:ds
(6)

REC-20

EX-100

100-428091-6730

FEB 1 1968

5-mjr

79 FEB 5-1968

XEROX
FEB 1 1968

UNRECORDED COPY FILED IN

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

DATE: 1/29/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

Re Bureau letter dated 11/6/67 instructing New York and Chicago to convert savings accounts maintained for NY 694-S* and CG 5824-S* into United States Savings Bonds and New York letter to Bureau dated 12/1/67.

The savings accounts maintained for CG 5824-S* at the Harris Trust and Savings Bank and the First National Bank of Chicago have been closed. The total deposits at these banks amounted to \$17,793.93. With this amount the Chicago Office purchased in the names of CG 5824-S* and his wife as co-owner, Series E United States Savings Bonds with the face value of \$23,725.00, at a cost of \$17,793.75. The balance of \$.18 will be given to CG 5824-S*. These bonds are being retained in the safe deposit box of the Chicago Office used for custody of Solo funds.

In the future the Chicago Office will follow the same procedure for CG 5824-S* and his wife as outlined in referenced New York letter for the purchase of bonds for NY 694-S* and his wife, which was approved by the Bureau. Therefore, the \$300.00 owed to CG 5824-S* for the period November 1, 1967 to January 31, 1968, will be used to purchase Series E Bonds in the amount of \$400.00.

- 2 - Bureau (RM)
1 - New York (100-134637) (Info) (RM)
1 - Chicago

RAV:mes
(4)

REC-56



1968 FEB 1 - 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

FBI
ROUTE IN ENVELOPE
Date: 1/29/68

Transmit the following in _____
(Type in plaintext or code)

Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
FROM : SAC, NEW YORK (100-134637)
SUBJECT: SOLO
IS-C

On 1/26/68, there were received at a New York City drop several partially-coded messages on microfilm, the plain texts of which are as follows:

(1) "Central Committee CPUSA

"Dear Friends:

"Soon our Communist Party will summon the Second Congress. Next, questions will be put out on the agenda:

- (1) Report about the activities of Central Committee
- (2) Adoption of New Program of Communist Party
- (3) Approval of New Communist Party Rules
- (4) Election to Leading Bodies of Communist Party

"We will be very glad to receive greetings from your Communist Party to our Congress whereas our Congress operates underground and we have no possibilities to welcome representatives of fraternal Communist Parties.

- ④ - Bureau (RM) *sent direct rep 2*
 (1- FBI LABORATORY)
 1 - Chicago (134-46-Sub B) (ARM)
 1 - NY 134-91 (INV) (41)
 1 - NY 105-14931-Sub C (TALANOV) (341)
 1 - NY 100-134637 (41)

ACB:msb
(9)

REC-56 3 FEB 2 1968

79 Approved: *1-1968*

Special Agent in Charge

Sent _____ M Per _____

NY 100-134637

"We will be very thankful to get your message of greetings till end of February.

"With Fraternal Regards:

On behalf of the Lebanon
Central Committee of the
Communist Party
General Secretary
N. SHOUEY

"P.S. We ask you not to publish anything about our Congress in your press. Please send your message of greetings in the same way you get ours."

(2) (The following is the Radio Schedule for 1968)

NY 100-134637

1968

| Month | Days | 1st Transm | | 2 Transm | | 3 Transm | | CALL |
|-------|-----------|------------|------------|----------|------------|----------|------------|------|
| | | GMT | kilo-cycle | GMT | kilo-cycle | GMT | kilo-cycle | |
| 1 | Wednesday | 1228 | 12171 | 1248 | 13197 | 1308 | 14482 | 6L3 |
| | Friday | 1231 | 11512 | 1251 | 12585 | 1311 | 14551 | 93Z |
| 2 | Tuesday | 1225 | 13506 | 1245 | 14409 | 1305 | 15645 | 8X3 |
| | Friday | 1244 | 13128 | 1304 | 14626 | 1324 | 16152 | 12D |
| 3 | Monday | 1233 | 14512 | 1253 | 15709 | 1313 | 16766 | 84L |
| | Friday | 1218 | 13586 | 1238 | 14698 | 1258 | 15852 | 6Z2 |
| 4 | Tuesday | 1210 | 12926 | 1230 | 14513 | 1250 | 16049 | 2P7 |
| | Thursday | 1239 | 13627 | 1259 | 14719 | 1319 | 15963 | F96 |
| 5 | Monday | 1151 | 12753 | 1211 | 13468 | 1231 | 14816 | 12C |
| | Friday | 1205 | 12984 | 1225 | 14604 | 1245 | 15782 | G7F |
| 6 | Tuesday | 1147 | 12571 | 1207 | 13391 | 1227 | 14867 | 73U |
| | Thursday | 1133 | 13611 | 1153 | 14584 | 1213 | 15614 | 1K8 |
| 7 | Monday | 1159 | 13705 | 1219 | 14782 | 1239 | 15818 | 9J4 |
| | Wednesday | 1201 | 12336 | 1221 | 13733 | 1241 | 15559 | W44 |
| 8 | Tuesday | 1131 | 13837 | 1151 | 14921 | 1211 | 16214 | 3R7 |
| | Thursday | 1144 | 13596 | 1204 | 15607 | 1224 | 16648 | PA1 |
| 9 | Tuesday | 1150 | 13674 | 1210 | 15693 | 1230 | 16847 | 2W3 |
| | Thursday | 1203 | 13915 | 1223 | 16116 | 1243 | 17049 | 4G9 |
| 10 | Wednesday | 1155 | 14841 | 1215 | 15926 | 1235 | 17133 | F6C |
| | Friday | 1137 | 13972 | 1157 | 15995 | 1217 | 18118 | 6B8 |
| 11 | Tuesday | 1229 | 14692 | 1249 | 16322 | 1309 | 17269 | 33D |
| | Friday | 1247 | 14965 | 1307 | 16017 | 1327 | 18221 | 9Q3 |
| 12 | Tuesday | 1241 | 13639 | 1301 | 14715 | 1321 | 15877 | Z7K |
| | Thursday | 1255 | 13444 | 1315 | 15844 | 1335 | 16912 | X59 |

Transmitting speed is 34 groups per minute.

NY 100-134637

(3) "To JACK BROOKS

"Places of contacts for money delivery in 1968

"1. 'Beach' - Westchester County, Harriman Rd. which is located between Road 9 (Broadway) & Saw Mill River Pkwy., not far from Tappan Zee Bridge. Driving along Harriman Rd. from Rd. 9. Contact is to be made at sideroad opposite east part of Irvington Water Res. at a distance of 0.7 mile from Road 9 (Broadway). Time is dark, appointed by radio.

"2. 'Park' - Description of this place was handed to you April 20, 1966.
Scheme is attached.
If you do not agree with these places, let us know as soon as possible.
At the same time we again ask you to recommend us some places for these purposes."

(The "scheme" mentioned in paragraph two is a pencilled map of "Park" rendezvous, which is being maintained in the NYO file.)

(4)

"ABOUT 'ROSY'" (Drop in Girder #352,
76-18 Roosevelt Avenue,
south side of street)

"I put signal (Coca-Cola) at western side of 'ROSY' in the evening, January 21, 1968 calling you to drop 'PEG' on January 23, 68. According to our agreement you should check 'ROSY' after 8 AM January 22, 68 and on that day at 5:05 PM acknowledge your ~~readiness~~ readiness to go to drop by telephone 473-8751 or 473-8707 which are valid for January & February. I didn't get your acknowledgement at 5:05 PM January 22, 68. I decided to control above-mentioned telephones at the same time on the next day taking into consideration that you could get my signal in the morning of January 23, but I failed to get it. After that I asked our Centre to arrange drop 'PEG' through 'radio.'"

NY 100-134637

"I repeat our agreement: If I want to pass you anything through drop or call you to personal rendezvous or transceiver operation, I'll put a signal on 'ROSY' (western side) excluding 'radio' days, Saturday, Sunday & holiday. You should check it after 8 AM. Having received a signal you should acknowledge it on the same day at 5:05 PM by phone which is valid in current month. Drop, personal rendezvous or transceiver operation will take place on the following day at the time appointed for next drop, transceiver operation & at 7:05 PM personal rendezvous. Signals are: Coca Cola - drop; Pepsi-Cola - personal rendezvous; 7-Up - transceiver operation. After you pick up our message from drop, please acknowledge it by phone acting this month at the time which is appointed for this drop. If I put a signal on east side of 'ROSY,' the operation should take place on that day when you get signal without confirmation.

"I would ask you to find more convenient place for 'ROSY' on your every day way. Maybe you can find one like 'TOPSY' (A. B. Beck Shore Store, 45th Street and Fifth Avenue). By the way, I check 'TOPSY' twice a week (radio days) after 9:00 PM.

(The above message reflects that there is confusion on the part of the Soviet with respect to the acknowledgement of the "ROSY" signal operation. Pursuant to previously-made arrangements, there has been no necessity for the acknowledgement of the removal of a bottle top by a telephone call at 5:05 PM.

For this reason, the Soviet was unaware of the fact that NY 694-S* had observed the bottle top at the girder and had covered the drop pursuant to the bottle top signal.)

"ABOUT W A X (transmission of messages via television interference signal)

"Let's start WAX test through 4 TV channel.
Time between 9:00-9:30 PM, January 31, February 8.
After receiving signals, please, acknowledge it in the same evening at 10:00 PM by phone 459-9775; 459-9888; 459-9657.

NY 100-134637

"After these tests I would like to introduce WAX into our communication.

"Order of usage

"Days - free (apparently distinct from) from 'radio' & 'walky-talky.'

Time - 9:00-9:30 PM (Channel 4 TV)

1 signal (stripes over screen) - personal rendezvous

2 signals --"-- - drop

3 signals --"-- - transceiver operation

"Reception of signals and your readiness to go to any operation on the following day, please, acknowledge by above-mentioned phones at 10:00 PM (3 calls)
Please, let me know your opinion about all things.

"My best regards,"

- (5) "Drop BONNY next.
If unavailable use drop FREDA."

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *JEC*

DATE: January 31, 1968 *Wey*

FROM : G. F. Downing

SUBJECT: *SOLO*
INTERNAL SECURITY - C

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 1/31/68, transmissions were heard by the Bureau's radio station at Midland at which time a message, NR 85 GR 33, was intercepted.

The plain text and cipher text are attached.

The New York Office is aware of the contents. *Q*

ACTION:

For information.

Enclosure

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS
HS:ccb
(7)
Wey

REC-75
EX 110

100-428041-6733

5 1968

F76
79 FEB 6-1968

5-8

2/31/68

NR 0085 GR 033

01/31/68

46333 69855 63439 84011 39223 30427 29520 84735 22506 67400
85962 29518 17672 07596 36300 76482 58689 31268 67260 85665
29857 50851 59549 57812 21332 57740 95067 05604 52274 99863
47138 54380 92455

NR 0085 GR 033

01/31/68

FOR OAK. PLEASE GIVE LIST OF KOX COUSINS TO BUDAPEST CONSUL
TATIVE NEK AND INFORM WHETHER YOU COME YOURSELF. ABLE KIT.

100-423291-6733

ROUTE IN ENVELOPE

F B I

Date: 1/31/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

On 1/31/68, there was received from the Soviets,
 via radio, a ciphered-partially coded message, the plain
 text of which was as follows:

"For Gus Hall:

"Please give list of CPUSA Delegates to Budapest
 Consultative Meeting and inform whether you come yourself.

"CCCPUSU"

The above refers to the international preparatory
 meeting of Communist Parties scheduled to be held in
 Budapest on 2/29/68. As reflected in NY airtel dated
 1/14/68, captioned "CP,USA ORGANIZATION, IS-C", during
 the course of the recent National Executive Board meeting
 of the CP,USA, a motion was made and carried that the
 CP,USA Delegates to the aforesaid Budapest meeting be
 GUS HALL, JAMES JACKSON and DANIEL RUBIN.

1- 904, 9x D
 ③-Bureau (100-428091) (RM)
 1-Chicago (134-46-Sub B) (AM RM)
 1-NY 134-91 (INV) (41)
 1-NY 100-134637 (41)

ACB:eac
 (7)

Approved: _____
 Special Agent in Charge

Sent _____ M Per _____

79 FEB 6 1968

ROUTE IN ENVELOPE

2/6/68

1 - Mr. R. C. Putnam

airtel

To: SAC, Chicago (134-46 Sub B)

From: Director, FBI (100-428091)

SOLO
INTERNAL SECURITY - C

It now appears CG 5824-S* will soon depart on Solo Mission 25 to attend the consultative meeting of communist parties to begin in Budapest, Hungary, 2/29/68. You should insure the Bureau is kept fully advised of source's travel plans. This is essential because of the need to provide coverage to the apparatus communications system while NY 694-S* is away from New York City. *Q*

In the event it is necessary to request authority to advance funds to the informant to undertake this mission, it is imperative that the Bureau have this request, completely and fully justified, at the earliest possible date to allow for adequate time to be given to the request. The preferable method for a communication of this nature would be by airtel with sufficient time for the Bureau to reply in the same manner.

per
1 - New York

RCP:cst
(5) *cst*

REC 11 100-428091-6735

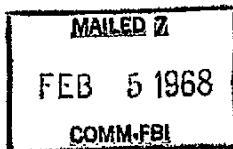
6 FEB 6 1968

EX 106

NOTE:

These instructions are given to insure Chicago does not rely on a last minute phone call to request authority to advance money to the informant.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____



ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

DATE 5/5/80 BY CDB/aw

67 FEB 8 1968

TELETYPE UNIT ☐

ROUTE IN ENVELOPE

2/6/68

airtel

1 - Mr. R. C. Putnam

To: SAC, Chicago (134-46 Sub B)

From: Director, FBI (100-428091)

MS
SOLO
INTERNAL SECURITY - C

Attached is a copy of a memorandum from the Department of State which is self-explanatory.

Immediately contact CG 5824-S* for answers to the questions raised in the attached memorandum. Submit results in letterhead memorandum form, utilizing caption of attached memorandum. *2*

Enclosure

RCP:cst *cst*
(4)

NOTE:

Sum
By liaison, State requested additional information regarding eight position papers distributed by the Communist Party of the Soviet Union at the celebration of the 50th Anniversary of the "Great October Revolution," held 11/67 in Moscow, USSR. These documents were obtained through the Solo Operation and were disseminated. Specifically, State inquired as to the identities of the delegations which received these documents, if they were in the Russian language or other languages, and if any others were received.

REC 11

100-428091-6736

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____



EX 106

6 FEB 6 1968

CDB/AD
o

67 FEB 8 1968

TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

DATE: 1/24/68

FROM : SAC, CHICAGO (134-46 Sub B)

Attn: Assistant Director
WILLIAM C. SULLIVAN

SUBJECT: SOLO
IS - C

As the Bureau is aware, CG 5824-S* recently completed the 24th Solo Mission which commenced on October 19, 1967, and ended with his return to the United States on December 4, 1967, after having traveled to the USSR via Czechoslovakia. During this mission he was a covert delegate of the Communist Party (CP), USA to the Fiftieth Anniversary Celebration of the October Revolution held in Moscow, USSR, November 7, 1967.

Based upon the results obtained as well as the extraordinary risks involved, it is recommended an award of \$1,000 be made to CG 5824-S*.

The extraordinary risks involved are based upon his travel behind the Iron Curtain which always requires extreme courage which the informant has repeatedly displayed in this and previous missions. Source had the additional burden of being in the state of health less than good and traveling under the new legend for the first time.

The outstanding results of this mission consisted of the source's meetings with MIKHAIL A. SUSLOV, BORIS N. PONOMAREV and MIKHAIL S. SOLOMENTSEV, all Secretaries of the Central Committee, CP of the Soviet Union. Because of the source's presence at the Fiftieth Anniversary Celebration as a covert member of the CP, USA delegation, he had the

- 1 - 9. 9. 8
2 - Bureau (RM)
1 - Chicago

MWJ:mes
(3)

REC 16

EX 110

100-428091-6737
FEB 6 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

67 FEB 8

CG 134-46 Sub B

opportunity to meet with delegations of numerous Communist and Workers Parties from throughout the world and leaders such as KHALID BAGDACHE, General Secretary, CP of Syria, LE CHANG, Deputy Ambassador to the USSR from the Democratic Republic of Vietnam and DANG CHAN THI, member of the Presidium of the Central Committee, National Liberation Front of South Vietnam, gaining firsthand knowledge of the status and activities of these Parties, as well as enlarging his contacts which enhances his position in the Solo operation.

No recommendation is being made for a monetary award for CG 6653-S, who left this country on October 29, 1967, and returned with CG 5824-S* on December 4, 1967, as she participated on this mission as a convenience to CG 5824-S*. It is, however, recommended that she be given a letter which can be shown to her commending her for her valuable assistance to CG 5824-S* during the past mission.

If the Bureau approves this recommended incentive award of \$1,000, it will be presented to CG 5824-S* as directed by the Bureau.

ROUTE IN ENVELOPE
FBI

Date: 2/1/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
FROM : SAC, NEW YORK (100-134637)
SUBJECT: SOLO
IS-C

On 2/1/68, NY 694-S* advised that he did not receive the TV signal on Channel 4, 9:00-9:30 PM on 1/31/68. (See NY airtel 1/29/68, page 5)

The next TV signal test is scheduled for 2/8/68, same channel, same time.

EX 110

REC 16

- 1-904 960
1 - Bureau (RM)
1 - Chicago (134-46-Sub B) (AM RM)
1 - NY 134-91 (INV) (41)
1 - NY 105-14931-Sub C) (TALANOV) (341)
1 - NY 100-134637 (41)

JFL:msb
(8)

100-428091-6738
3 FEB 6 1968
SB

Approved: _____

Sent _____ M Per _____

67 FEB 8 1968

Special Agent in Charge

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *Jure*

DATE: February 2, 1968

FROM : C. F. Downing

SUBJECT: *9/1* SOLO
INTERNAL SECURITY - C

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

On 2/2/68, the New York Office furnished the text of two messages which the informant desired to send and requested that they be enciphered. The cipher text was furnished to New York on the same day.

The plain text and cipher text are attached. *Q*

ACTION:

For information.

Enclosure

Q
ENCLOSURE

REC 16

X 110

100-42891-6739

6 FEB 6 1968

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attention: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS
HS:cspeop
(7)
purp 1m info

214
67 FEB 8 1968

5-10

2/2/68

88210 10822 41745 55181 13456 40522 34637 74929 86576 15716
64538 85466 29856 00405 30874 11506 63113 72507 56895 78756
71197 98170 22320 17690 42795 72816 91951 23377 71040 00850
61404 65892 72371 65711 33845 72265 13417 14478 50187 54219
26608 40754 55748 94537 72898 62120 91302 03772 89270 97457
58304 68854 81760 76584 90522 96218 68631 85032 80919 69807
29303 06022 85008 57866 41837

ABLE-KIT IN ANSWER TO YOUR DUKE MESSAGE OF FEBRUARY 13TH REG
ARDING BUDAPEST ON CONSULTATIVE NEK, OFFICIAL PUBLIC LAND
OF ABLE-COX WILL BE OAK, MAPLE, AND IMP, KEENY WILL ACCOMPAN
Y OAK, HUB WILL GO VIA OFFICE IN USUAL MANNER, IVY REQ-ABLE-C
OX.

10-420091-6739

RECORDED

46750 50336 13930 37187 27347 28046 60615 98118 17936 48819

40824 77268 81803 04134 69862 75428 54438 58596 08133 75976

69165 50450 54236 68612 89632 54105 11389 24208 47058 02130

31846 59784 45418 85745 25339 32975 54526 45563 14172 71896

45064 43168 40430 87611 04970 13511 24120 36141 57608

ABLE KIT HILL THE ANSWER REGARDING COLOUR PRINTS FOR #1968#

IS NOT CLEAR AS REGARDS AMOUNT AND TIME FACTORS. YOUR IMMEDI

ATE REPLY ON THIS HILL MATTER IS MOST ESSENTIAL. OAK REQ ABL

E COX

100-42 147 - 6739

ENCLOSURE

MI 100-13896

"During a dinner party sponsored by [redacted]

[redacted]
Milwaukee, hosts for the tour, Australia's youngest senator commented on the U. S. and his country's involvement in the Vietnam war.

b6
b7C

"'I feel that we should never have gotten involved in this war,' said Senator Wheeldon. The senator said that Australian and U. S. intervention in Vietnam was a violation of the 1954 Geneva Agreement and that the intervention prevented the people from working together to decide their own form of government.

"'Australia sends 7,500 men to Vietnam and spends \$20,000,000 in the war effort, yet last year we did \$180,000,000 in trade with the mainland Chinese who are supposedly fomenting the trouble in Southeast Asia,' said Senator Wheeldon."

[redacted] are a Milwaukee
[redacted] who have participated in various
civil rights and peace group activities.

b6
b7C

For the information of the Bureau, [redacted]
[redacted] Milwaukee County Court, which
case is currently pending.

b6
b7C

ROUTE IN ENVELOPE

2/7/68

1 - Mr. R. C. Putnam

airtel

To: SACs, New York (100-134637)
Chicago (134-46 Sub B)

From: Director, FBI (100-428091) — 674-11
REC-68 X 110

SOLO
INTERNAL SECURITY - C

ReCGairtel 2/2/68 regarding Soviet pressure on the Communist Party, USA, to have the Party establish a laundry or gift shop in New York City which can be used as a drop or cutout for the transfer of funds.

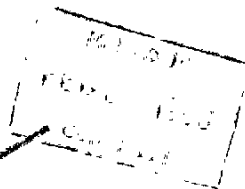
In view of the statements made by Gus Hall as set forth in reairtel, immediate action must be undertaken to insure that this shop comes under our complete control. The seriousness of the situation cannot be overstated. Either we control the shop or we relinquish an essential part of the Solo Operation. This must not happen.

The substance of the conversation between Hall and CG 5824-S* clearly indicated that the Party would use its own funds in the operation of this shop. CG 5824-S* was instructed to insure that some affirmative action is taken toward the establishment of this shop. With the question of financing established, we must now look to finding ways and means of staffing the shop with personnel under our control.

This matter must be given immediate priority. Within one week of receipt of this communication, New York should submit an airtel with its recommendations as to what can be done to insure the shop is controlled by us. Each week thereafter, a subsequent airtel must be submitted stating what has been accomplished during the past week and what is contemplated, in order that we might attain our objective.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

RCP:cst
(6)



SEE NOTE PAGE TWO. *[Handwritten initials]*

67 FEB 8 1968

TELETYPE UNIT ☐

Airtel to SACs, New York
Chicago

RE: SOLO
100-428091

In this regard, the Bureau is concerned over the minimal progress being made toward increasing the functioning parts of the Solo apparatus. Past experience has shown that neither NY 694-S* nor CG 5824-S* have gone out of their way to assist in the development of individuals who could conceivably serve as rivals to them under our control.

It must be conceded that we are left with but two alternatives. The first alternative is that we develop the apparatus so that it can function with the demise of one or both of these two informants. Our only other alternative is to terminate the operation, in order to capitalize on its exposure through publicity and/or testimony. Current thinking at Seat of Government tends toward exposure through testimony if we fail with our first alternative, notwithstanding the tremendous obstacles the step presents.

By separate communication, New York and Chicago should advise the Bureau of their observations in this regard. Both offices should consider what effect a request to testify would have on stimulating the informants' activities toward the development of additional personnel for the apparatus. This communication should reach the Bureau within 10 days of the date of this airtel.

NOTE:

In view of the delicate physical condition of both NY 694-S* and CG 5824-S*, immediate steps must be undertaken to develop the apparatus so that it can function if one or both should pass on.

FBI

Date: 2/2/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

On 1/29/68 CG 5824-S* furnished the following information concerning efforts of the CP, USA to comply with the request of the Communist Party of the Soviet Union (CPSU) that the CP, USA set up a laundry or a gift shop in NYC which can be used as a drop or cutout for the transfer of funds from the CPSU to the CP, USA. Q

While in NYC during the periods 12/28/67 to 1/18/68 and 1/23/68 to 1/28/68, CG 5824-S* had several conversations with GUS HALL concerning the security of the Solo apparatus in general and the acquisition of such a cutout in particular. HALL stated that during his last visit to the USSR, he had been engaged in a discussion on the subject of the security of the apparatus by BORIS N. PONOMAREV, Secretary of the Central Committee, CPSU, in charge of the activities of the International Department, Central Committee, CPSU. Also present at this discussion was NIKOLAI V. MOSTOVETS, Head of the North and South American Section, International Department, Central Committee, CPSU. They did not go into a great deal of detail but did talk about the need to safeguard

③-Bureau (RM)

1-New York (100-134637)

1-Chicago

WAB:MDW
(5)

EX 110

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

cc: to LF 3 NY + CG
RIP: sent 2/7/68

100-428091-6741

FEB 7 1968

CG 134-46 Sub B

the apparatus and compartmentalize the activities of CG 5824-S* so that his CP, USA leadership functions do not jeopardize the apparatus. They again emphasized to HALL that the apparatus, as far as humanly possible, should not be used for sending messages of extreme length or for such minor matters as requests for visas. It should be used for urgent matters. Where possible, the Party should attempt to use every legal means of communication.

In the context of the above discussion, HALL stated, the Russians raised the question again concerning the establishment of a business to use as a method for delivery of funds to the CP, USA. HALL expressed some surprise that the Russians considered the laundry (or gift shop) as part of the protection of the apparatus. Nevertheless, HALL stated that some affirmative action must be taken to accomplish the acquisition of a business in NYC which can be used for this purpose. CG 5824-S* stated that HALL had no answers for him as to how this was to be accomplished or who could be used to operate such a business for the Party. The informant stated that he warned HALL that the Russians might change their minds, as they have been known to do in the past, and after using this drop once, or maybe not even that, discontinue its use. In that case the Party might stand to lose \$20,000 or \$25,000 which had been invested. HALL indicated he understood this possibility but it would have to be done anyway. HALL also thought for awhile that perhaps [redacted] could be brought into NYC to run this business, but after discussing this choice with CG 5824-S*, they decided [redacted] was not the type of individual needed for this purpose.

b6
b7C

In this connection, it was noted that a recent radio message from the Russians, after first naming two places to be used for the transfer of funds, had requested that the CP, USA name some new places. HALL wondered exactly how this should be interpreted. He stated he was not sure whether this referred to new places in general or whether the Russians were specifically asking about the proposed acquisition of a shop to be used as a cutout. HALL came to no definite conclusion in this respect but gave the impression he felt he was under some pressure to get this matter resolved.

In any event, HALL told CG 5824-S* to go ahead and do whatever he could to get this project under way. Specifically, recalling previous discussions on this subject about a year ago, HALL instructed CG 5824-S* to once again contact IRVING POTASH who had been given the responsibility of locating

CG 134-46 Sub B

a suitable individual to run this projected business for the Party. Therefore, following this discussion with HALL, CG 5824-S* had made several attempts to locate POTASH without success, since POTASH had moved and although CG 5824-S* had his address, he was unable to get a telephone number for him and security precautions precluded any attempt to personally contact POTASH at home. Eventually, CG 5824-S* located POTASH and inquired regarding the status of the individual POTASH had supposedly recommended for this task, a [redacted]. At this time, POTASH stated that he had temporarily lost [redacted] had moved and POTASH was not sure where he was. However, POTASH promised that he would locate [redacted] within a couple of weeks and CG 5824-S* should contact POTASH upon his next trip to NYC and together they would speak to [redacted]. POTASH expressed some doubt at this point whether, with the passage of time since this project was first proposed, [redacted] would be able to do this job. This decision will await discussion with [redacted] when he is located. CG 5824-S* and POTASH agreed that they would meet next time in the Automat located at 57th St. and Sixth Ave., NYC.

b6
b7C

Relative to the type of individual who would be suitable for the task of running this business on behalf of the Party and who would be acceptable for this sensitive position, CG 5824-S* made the following remarks:

To be considered, this person must be someone with a background of association with the Party, but this association must have been some substantial period in the past or such an association of more recent date, must not have been public nor can this person have been attending Party meetings for a period of some years. It may be a person who was associated with the Party some years ago, who no longer attends Party meetings but has retained his contacts through some continuing activity with some front group. There must be sufficient evidence in the past of his sympathy for the CP, USA, but no recent public association with nor recent active participation in Party activities. In other words, this individual must be relatively "clean," but at the same time be known and vouched for by someone of undoubted trustworthiness besides CG 5824-S* and/or NY 694-S*. This person must be accepted by GUS HALL, and it can be expected that the Russians will make rather searching inquiry concerning his background since they will be exposing themselves somewhat dangerously although it is not expected their scrutiny will be as thorough as in the case of NY 4309-S*.

CG 134-46 Sub B

CG 5824-S* stated that the next time he is in NYC he will contact POTASH and will go over the background of [redacted] and will then be introduced to [redacted] by POTASH. Although CG 5824-S* does not know enough about [redacted] at this time to make a decision in this matter, he has a preliminary feeling that [redacted] may well not prove to be satisfactory.

b6
b7C

It is the thought of this office that there may be a situation here which we can take advantage of. Although requesting the CP, USA to set up this front instead of doing so themselves, it seems to us that this operation requires a lot of trouble on the part of both the CP, USA and the Russians to cover a transaction which will take place, at best, two or three times a year. Once established, we consider it likely the Russians may well wish to use this cutout for other covert operations. Therefore, we may be well advised to give serious consideration to the advantages which would accrue to our intelligence operations were we able to insert a controlled individual to operate this front.

As a consequence of above considerations, it is suggested that the New York Office survey their current and former sources who may conform in greater or lesser detail to the above requirements as candidates for the position of proprietor of this Party established business. In considering the feasibility of such a ploy, careful thought should also be given to the fact that any individual so utilized, if subsequently compromised, could jeopardize the entire Solo apparatus. Therefore, we must be completely certain that the cover of such an individual to be utilized in this capacity is absolutely foolproof so that the prospect of possible further penetration of Soviet Intelligence operations in this country does not jeopardize the accomplishment already achieved in the Solo operation.

The above is submitted for the consideration of the Bureau and the New York Office whose comments are requested.

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 2/2/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

On January 22, 1968, CG 5824-S* advised that while in New York City during the period December 28, 1967, to January 18, 1968, CARL WINTER furnished to him several notes which he had brought back with him when WINTER had recently been in the USSR. The first of these notes was from NIKOLAI V. MOSTOVETS, Head of the North and South American Section, International Department, Central Committee, Communist Party of the Soviet Union (CPSU), and IGOR V. MIKHAILOV, Assistant to MOSTOVETS, which requested CG 5824-S* to send to them the following recent books:

- 1) "The Exercise of Power," by R. EVANS and R. NOVAK, New American Library, October, 1966;
- 2) "To Move A Nation," by ROGER HILLSMAN;
- 3) "The Republican Establishment: The Present and Future of The GOP," by STEPHEN HESSER and DAVID BRODY, Harper and Row;
- 4) "Robert F. Kennedy," by DICK SCHAAP, New American Library;
- 5) "Candidates, 1968," Congressional Quarterly Service, Two Dollars;
- 6) "American Strategy--A New Perspective," by URS. SCHWARZ; Preface by KIESINGER, Doubleday and Company.

1-904 940
②-Bureau (RM)

1-New York (100-134637)(Info)(RM)

1-Chicago

WAB:MDW

(4)



FEB 7 1968

67 FEB 13 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

CG 5824-S* advised that these books will be shipped to MOSTOVETS and MIKHAILOV in the near future via the Professor Sirinov drop in Moscow, USSR.

The second note was from MOSTOVETS in which he requested that CG 5824-S* obtain a quantity of medicine needed by his wife who has a heart disease. This medicine is not obtainable by MOSTOVETS in the USSR. The medicine requested is "Cedilanid," which is made in tablet form by Sandoz, Ltd., Basel, Switzerland. CG 5824-S* advised that he will try to obtain this medicine for MOSTOVETS but that it will probably have to be sent to him with someone who travels to the USSR from the CP, USA.

~~CONFIDENTIAL~~

ROUTE IN ENVELOPE

1 - Liaison
1 - Mr. R. C. Putnam

BY LIAISON

Date: February 6, 1968
To: Director
Bureau of Intelligence and Research
Department of State
From: John Edgar Hoover, Director
Subject: FBI MEMORANDA CONCERNING CPSU POSITION PAPERS

Reference is made to your memorandum dated February 2, 1968, and captioned as above.

Sources of this Bureau are being contacted in regard to the questions raised in your memorandum. You will be promptly advised of the results of our inquiries.

100-428091-6743
RCP:cst
(5)

NOTE:

By liaison, State requested additional information regarding eight position papers distributed by the Communist Party of the Soviet Union at the celebration of the 50th Anniversary of the "Great October Revolution," held 11/67 in Moscow, USSR. These documents were obtained through the Solo Operation and were disseminated. Specifically, State inquired as to the identities of the delegations which received these documents, if they were in the Russian language or other languages, and if any others were received.

~~CONFIDENTIAL~~

Group 1

Excluded from automatic
downgrading and
declassification

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

1 - Mr. A. J. Baker
1 - Mr. R. C. Putnam
1 - Mr. L. M. Linton

2/5/68

Airtel

To: SAC, New York (105-14931)

From: Director, FBI (105-40818)

NIKOLAI MIKHAILOVICH TALANOV
IS - R

Reurairtel 2/1/68.

You should conduct no moving surveillance of subject
on 2/8/68.

You will be separately advised concerning Laboratory
personnel coming to your office to monitor signal device on
2/8/68.

LML:RHZ
(7)

① - 100-428091 (SOLO)

NOTE:

Subject is Soviet principal of our sensitive informant
NY 694-S*. Arrangements had been made for subject to signal the
informant by means of an interference which the informant would
receive on his television set 1/31/68. Subject was placed under
surveillance from 7:49 PM to 10:07 PM 1/31/68. During this time
the informant did not receive a signal. Laboratory representative
was in New York to endeavor to record the signal. The Soviets
have been advised by the informant that he did not receive a
signal on 1/31/68, and that the subject should repeat the signal
test on 2/8/68. New York proposes to afford discreet surveillance
coverage to subject in the same manner on 2/8/68 as was handled
on 1/31/68.

Since this signal technique is under study for use
between subject and NY 694-S*, surveillance coverage on 2/8/68
has been discussed between the Soviet Section and the Internal
Security Section. It has been agreed that under the circumstances
we should only endeavor to recover the signal and should conduct
no moving surveillance since detection of same could prevent our
covering and recording the signal.

70 FEB 16 1968

DUPLICATE YELLOW

ORIGINAL FILED IN

81-40818-118
105-40818-501

F B I

Date: 2-1-68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI (105-40818)

FROM: SAC, NEW YORK (105-14931)

SUBJECT: NIKOLAI MIKHAILOVICH TALANOV
IS - R
(SMUN - KGB)

For the information of the Bureau, in connection with the SOLO operation, subject was to transmit a signal to NY 694-S*, at the informant's residence on 1/31/68. This signal was to be made by a device activated by the subject, which would cause some type of distortion on the informant's television set. The signal was to be transmitted between 9:00 and 9:30 PM on 1/31/68, and the informant was to confirm the reception of this signal at 10:00 PM on 1/31/68, by making a telephone call to a public telephone located in Alexander's Department Store, located on Queens Boulevard, NYC.

In order to determine how close subject came to the informant's residence, a discreet surveillance was conducted. On 1/31/68, TALANOV and his wife, EMILIYA A. TALANOVA, were observed leaving the SMUN together in his car at 7:49 PM. He drove with his wife directly to Queens by way of Queens Boulevard and entered Macy's Department Store located on Queens Boulevard. At 8:22 PM, TALANOV and his wife drove into Macy's Department Store parking lot and parked. In the interest of security, TALANOV and his wife were not followed directly into the aforementioned parking lot.

5 - Bureau (RM)
(1 - 100-428091) (SOLO)
(1 - FBI Laboratory)
1 - New York (100-134637) (SOLO)
1 - New York (105-14931)

WB:cjs

(9)

NOT RECORDED

100-428091-
103 FEB 8 1968

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

81807-501 / 105-40818

NY 105-14931

At 8:42 PM, TALANOV and his wife were observed by SAs walking about the department store ostensibly shopping in the men's wear department. At 9:02 PM, TALANOV, accompanied by his wife, were again observed in his automobile exiting Macy's parking lot. They drove directly to Alexander's Department Store parking lot which is located north of Queens Boulevard. At 9:14 PM, TALANOV and his wife were observed entering aforementioned parking lot and once again parking. At 9:16 PM, TALANOV and his wife exited his automobile and they both walked directly to and entered Alexander's Department Store at 9:18 PM. They both were observed in the aforementioned department store ostensibly shopping on the main and second floor.

TALANOV and his wife exited Alexander's at 9:42 PM and immediately returned to their automobile and were last observed proceeding in a westerly direction toward Manhattan on Queens Boulevard.

The observation post located in the area of the SMUN advised that TALANOV and his wife reentered the SMUN at 10:07 PM.

The above surveillance was conducted with a maximum of discreet security and it was facilitated by the use of three late model Bureau cars and three BMW motorcycles equipped with personal receivers and transmitters.

It should be pointed out that the NYO obtained the use of a small portable Sony battery operated TV receiver and installed same in the rear seat of one of the fisur vehicles in the hopes of intercepting the abovementioned signal by the subject.

No signal was received by the Bureau car. It was subsequently learned from the informant that no signal was received by him on 1/31/68.

As the Bureau is aware, TALANOV was scheduled to appear at a telephone booth located on the third floor of Alexander's Department Store at 10:00 PM on 1/31/68, for

NY 105-14931

verification from the informant that he, in fact, received the signal. This did not materialize, however, since Alexander's closed at 9:30 PM and the subject was forced to leave Alexander's by no later than 9:45 PM.

The NYO feels that the possibility exists that TALANOV was not aware of the fact that Alexander's closed at 9:30 PM when he initially made the scheduled arrangements with the informant. Upon his arrival at Alexander's and determining the fact that he could not verify the receipt of the signal by NY 694-S*, he may have decided to forego his scheduled plan.

Another signal operation between TALANOV and the informant is scheduled for 2/8/68.

As the Bureau is aware, any clandestine operations engaged in between TALANOV and NY 694-S* are extremely valuable from the viewpoint of penetrating the communications network of the NY KGB Residency. The NYO, therefore, requests that Laboratory personnel again be sent to New York on 2/8/68, to monitor the signaling device used in this operation. The NYO intends to afford similar coverage to the activities of TALANOV on 2/8/68, as was afforded the activities on 1/31/68.

ROUTE IN ENVELOPE

SAC, Chicago (134-46 Sub B)

2/7/68

REC-21

Director, FBI (100-428091) — 6744

1 - Mr. M. J. Rozamus
1 - Mr. R. C. Putnam

SOLO
INTERNAL SECURITY - C

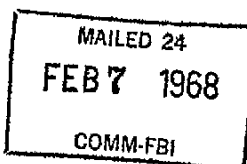
Reurlet 1/24/68 recommending CG 5824-S* be given a cash award of \$1,000 and that CG 6653-S be given a personal letter from the Director for successful completion of Solo Mission 24.

In view of the fact that CG 5824-S* is expected to soon depart on Solo Mission 25, the matter of a cash award is being held in abeyance pending his return from that mission. In addition, the matter of a personal letter from the Director for CG 6653-S is not deemed advisable.

RCP:cst
(5)

NOTE:

See memorandum C. D. Brennan to Mr. W. C. Sullivan, dated 2/2/68, approved by the Director.



Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☒ TELETYPE UNIT ☐

67 FEB 12 1968

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan *CD*

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. J. P. Mohr
1 - Mr. N. P. Callahan
Attn: Mr. M. F. Row
DATE: February 2, 1968

1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Mr. M. J. Rozamus
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

My memorandum 1/31/68 (attached) recommended a cash award to CG 5824-S* for successful completion of Solo Mission 24 behind the Iron Curtain. Mr. Tolson asked, "How much do we pay him monthly?" *R. Putnam*

CG 5824-S* is paid \$900 per month for services. This puts him in the category of the basic salary of a Special Agent GS-11. There has been no increase in his payments for services since 1964, whereas there have been three increases for Government employees. At the time this payment was set, it was the equivalent of a GS-13. With respect to the recommendation for the cash award, Mr. Tolson recommended we pay the informant \$750 and the Director concurred. *W*

Since April, 1960, CG 5824-S* has completed 13 prior missions behind the Iron Curtain. Upon the successful completion of each, he has received a cash award of \$1,000. In addition, his wife, CG 6653-S who accompanied him on five missions, received a \$500 award on the first three missions. We discontinued payments to her after the last two missions as an economy measure.

If we reduce the award to CG 5824-S* at this time, we run the risk of permitting the informant to infer that we are belittling the value of his last mission in comparison with former trips. In this regard, it is noted that the informant is independently wealthy, 65 years old, and in poor health. These missions constitute a tremendous strain on him and if he feels his efforts are not fully appreciated, he may not wish to make the necessary sacrifices to undertake these missions.

Enclosure

100-428091

RCP:cst
(8)

REC-21

100-428091-6744

6 FEB 7 1968

CONTINUED - OVER

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

In this regard, it is noted that the Communist Party, USA, has advised the Soviets that CG 5824-S* will attend the international conference of communist parties scheduled to begin in Budapest, Hungary, on 2/29/68 as an ex officio member of the Communist Party, USA, delegation. This is a meeting of tremendous importance to the international communist movement, for it is here that the Soviets plan to lay the groundwork for a subsequent meeting which will force the Chinese communists out of the international communist movement. As far as we know, CG 5824-S* is the only source of the United States who will be on the inside of this meeting.

We just cannot afford to gamble that we might lose the coverage provided by this informant at this time. Rather than risk losing the important coverage he can furnish, it would appear to be preferable to withhold any payment to him now which might upset him and consider the question of a cash award after he has completed his next mission.

RECOMMENDATION:

If you approve, we will not pay CG 5824-S* any award at this time.

W.C.S. ✓ mm
GK.
X

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. J. P. Mohr
1 - Mr. N. P. Callahan
Attn: Mr. M. F. Row

DATE: January 31, 1968

1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Mr. M. J. Rozamus
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Solo is the code word used to refer to the liaison operation performed by our informants between the Communist Party, USA (CPUSA), and other communist parties of the world.

PURPOSE:

This memorandum recommends a \$1,000 cash award to CG 5824-S* for having subjected himself to extraordinary risks on Solo Mission 24 to obtain vital intelligence data and to insure that the Soviet subsidy for the CPUSA continues to funnel through our operation. It recommends that SAC, Chicago, personally present the award and orally express to CG 5824-S* and to his wife, CG 6653-S who accompanied him, the Director's appreciation for their services.

BACKGROUND:

The informants departed on Solo Mission 24 10/19/67 and returned to the United States 12/4/67. They attended the celebration of the 50th Anniversary of the "Great October Revolution" while in Moscow, Union of Soviet Socialist Republics, and CG 5824-S* participated in meetings held by Gus Hall, General Secretary, CPUSA, with leading members of the Communist Party of the Soviet Union and other communist parties present in Moscow for the celebration.

CG 5824-S* held lengthy conferences with the Soviet intelligence officer who handles the Solo Operation in Moscow. He also held discussions with top Soviet officials regarding the Soviet subsidy to the CPUSA for 1968.

Enclosure

100-428091

RCP:cst
(8)

EX-106
CONTINUED - OVER

6 FEB 7 1968

5-1P

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

During this mission, CG 5824-S* developed a wealth of intelligence information regarding the prospects for an international meeting of communist parties, the current status of the Sino-Soviet dispute, the attitude of North Vietnamese officials toward the war in Vietnam (obtained through personal conversations with them), and, in addition, the source developed the views of the CPUSA toward the racial situation in the United States as furnished Soviet leaders. The Soviets distributed position papers to the leaders of the various communist parties present in Moscow regarding many phases of the international communist movement. CG 5824-S* obtained copies of these documents. The Department of State, Central Intelligence Agency, and National Indications Center have advised through liaison that the receipt of the contents of these documents has been invaluable to them and, to date, the data contained therein was not available from any other source of our Government.

Chicago has recommended, and we agree, that CG 5824-S* should receive an award of \$1,000 for the successful completion of this mission behind the Iron Curtain. The data developed by CG 5824-S* cannot be measured in dollars and cents. Although hampered by poor health, CG 5824-S* willingly placed himself in jeopardy to provide this data. This attitude merits special recognition. Chicago also recommended that the informant's wife, who accompanied him, receive a personal letter from the Director in appreciation of her services. We believe SAC, Chicago, should orally express the Director's appreciation to both informants when personally presenting the cash award to CG 5824-S*.

RECOMMENDATIONS:

1. That CG 5824-S* receive a cash award of \$1,000.

2. That attached letter be sent to SAC, Chicago, authorizing the cash award to CG 5824-S* and instructing him to orally express the Director's appreciation to both informants for their services.

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *JWC*

DATE: February 6, 1968

FROM : C. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY - C

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 2/6/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS:ccb

(7)

REC-52 100-428071-6745

EX-105

6 FEB 8 1968

98 FEB 16 1968

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO: *[Signature]* DIRECTOR, FBI (100-428091)
FROM: *[Signature]* SAC, NEW YORK (100-134637 SUB A)
SUBJECT: SOLO
IS - C

DATE: 2/5/68

ReNYlet, 1/4/68.

The records of the New York Office reflect the following information regarding the SOLO funds during the period 1/1/68-1/31/68.

1/1/68 On hand as of 12/31/67 \$1,030,444.32

Credits

None during January, 1968.

Debits

1/3/68 To CG 5824-S* for HELEN WINTER. 150,000.00
This money to be used for
National CP, USA expenses
during 1968.

1/4/68 To CG 5824-S* for GUS HALL 12,500.00
for National CP, USA office
expenses.

Total 162,500.00

5-904, 9+12

- (2) - Bureau (RM)
- 1 - Chicago (134-46 SUB F)(AMRM)
- 1 - New York (100-128861 SUB B)(CP, USA Reserve Fund)(41)
- 1 - New York (134-91)(INV)(41)
- 1 - New York (41)

JFL:ljc
(6)

106
REC-28

4 FEB 9 1968



5010-108

79 FEB 13 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

NY 100-134637 - SUB A

Balance

| | |
|-----------------------|----------------|
| Sum of Amount on Hand | \$1,030,444.32 |
| Less Debit | 162,500.00 |

Total on Hand as of 1/31/68 \$ 867,944.32

Location of SOLO Funds -
New York Office Territory

| | |
|---|-----------|
| Safe deposit box Chemical Bank, New York Trust Company, 67 Broad Street, New York, New York | 10,000.00 |
|---|-----------|

Jack Brooks Regular Checking Accounts, Chemical Bank - New York Trust Company, 20 Pine Street, New York, New York

| | |
|----------------------------|-----------|
| Account No. 1 (001-228919) | 13,259.28 |
| Account No. 2 (001-232835) | 32,345.92 |
| Account No. 3 (001-237942) | 48,677.78 |

| | |
|--|----------|
| NY 694-S* Personal Checking Account, Chemical Bank, New York Trust Company, 67 Broad St., New York, New York | 4,000.00 |
|--|----------|

31,507.26
per 200
from NY
2/10/81
JP

Maintained By NYC - FBI

| | |
|---|------------|
| Safe Deposit Boxes, Manufacturers Hanover Trust Company, 69th Street and Third Ave., NY, NY | 760,500.00 |
|---|------------|

Total \$ 867,944.32

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

DATE: 2/5/68

FROM : SAC CHICAGO (134-46 Sub F)

SUBJECT: SOLO
IS-C

R. C. Thompson

ReCGlet dated January 5, 1968.

Set forth below is an accounting of Solo and Reserve Funds transactions during January, 1968:

Balance on hand, January 1, 1968

Solo Funds

\$140,826.73

Reserve Funds

1,143.61 *7/15*

Total funds

\$141,970.34

Additions

Solo Funds

None

Reserve Funds

None

- 1-904940*
②-Bureau (RM)
2-New York (RM)
 (1 - 100-128861) (CP, USA - Reserve Funds)
 (1 - 100-134637) (SOLO)
1-Chicago

WAB:MDW

(5)



79 FEB 13 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

EX 106

REC-28

4 FEB 9 1968

100-428091-6747

5-8-

CG 134-46 Sub F

Disbursements

Solo Funds

On 1/2/68 to GUS HALL for personal expenses \$1,640.00

On 1/29/68 reimbursement to CG 5824-S* for out-of-pocket expenditures of following amounts:

a) to GUS HALL during period 12/28/67-1/18/68 for personal expenses \$1,147.00

b) for purchase during early 1/68 of medicines for NIKOLAI V. MOSTOVETS of the CP of the Soviet Union 18.00

c) for purchase of U.S. Savings Bonds for [redacted] at \$5.40 each 3 months added to [redacted] mortgage payments of \$123.20 per month since 3/1/67 (see CGlet 6/13/67) 21.60 1,186.60

Total \$2,826.60

Reserve Funds

None

Balance on hand, February 1, 1968

Solo Funds

\$138,000.13

Reserve Funds

1,143.61

Total funds \$139,143.74

b6
b7C

CG 134-46 Sub F

Location of funds - Chicago Office Territory

Solo Funds

Maintained by Chicago Office in safety deposit box #C1362, LaSalle National Bank, Chicago, Illinois, with access limited to SAC and ASAC \$110,766.55

Maintained by CG 5824-S* in safe in his office at Arisco Associates, Inc., 25 East Washington Street, Chicago, Illinois 17,233.58

Maintained in Arisco Associates, Inc., checking account at Michigan Avenue National Bank, Chicago, Illinois, with access by [redacted] and CG 5824-S* 5,000.00

Maintained in Arisco Associates, Inc., checking account at First National Bank of Lincolnwood, Lincolnwood, Illinois, with access by [redacted] and CG 5824-S* 5,000.00

b7D

Total \$138,000.13

Reserve Funds

Maintained in safety deposit box #1349 at Mid-America National Bank, Chicago, Illinois, in the names of HAROLD M. JULES (CG 5824-S*) and JACK BROOKS (NY 694-S*) with power of attorney to enter box in name of GENKA JULES (CG 6653-S) \$ 1,143.61

Total \$ 1,143.61

Total funds on hand,
February 1, 1968 \$139,143.74

FBI

ROUTED TO TELETYPE
Date: 2/5/68Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

On 1/29/68 CG 5824-S* advised that during his discussions with GUS HALL, General Secretary, CP, USA, while the informant was recently in NY, HALL had asked him to accompany the CP, USA delegation to the consultative meeting of Communist and Workers Parties scheduled to begin 2/26/68 in Budapest, Hungary. As the Bureau is aware, the decision of the National Executive Board, CP, USA, at its recent meeting on 1/12/68 in NYC, was that the CP, USA delegation should consist of GUS HALL, JAMES JACKSON, and DANIEL RUBIN. According to CG 5824-S*, HALL takes for granted that no mention of CG 5824-S* in this context would be made at the National Executive Board for security reasons. In response to HALL's request, source stated that he did not desire to go to Budapest and perhaps in view of the Russians' expressed concern for security, it would be better if he did not attend this meeting.

Nevertheless, CG 5824-S* told HALL circumstances may arise which would make it desirable for CG 5824-S* to

1-904 9-0
③ Bureau (RM)

1-New York (100-134637) (Info) (RM)

1-Chicago

WAB:MDW

(5)

100-428091-6748
REC-28

4 FEB 9 1968

X 106

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

79 FEB 13 1968

CG 134-46 Sub B

attend the meeting and, therefore, they should "play it safe." As the Bureau will recall, a letter of invitation from the Hungarian Socialist Workers Party (HSWP) requested a response from the CP, USA by 2/15/68 with the identities of the members of the CP, USA delegation. This response was to be delivered to the Hungarian Mission to the UN in NYC. CG 5824-S* suggested and HALL agreed that the response should name the above three individuals with the added statement that another CP, USA member may also attend and would come through Prague or Berlin. CG 5824-S* stated that he would not trust the Hungarians at the Mission with his identity and his method of travel. The reason for including Berlin is that CG 5824-S* was not sure what the situation in Prague might be in view of the recent shakeup in the leadership of the CP of Czechoslovakia (CPCZ). This procedure of "playing it safe" in the event it becomes desirable for CG 5824-S* to go to Budapest was also followed in the framing of a message to the CP of the Soviet Union (CPSU) in response to their inquiry through Solo channels on 1/31/68 for the identities of the members of the CP, USA delegation to the Budapest meeting.

Relative to those circumstances which might dictate that CG 5824-S* attend the meeting, HALL and CG 5824-S* discussed the following problems:

As the Bureau will recall, on the last Solo Mission, CG 5824-S* negotiated for the 1968 subsidy from the CPSU for the CP, USA. At the time CG 5824-S* left Moscow, he was told that the amount of this subsidy had not yet been decided by the CPSU, but that the decision would be made about the end of 12/67 or the beginning of 1968 and the CP, USA would be advised of this decision. Thus far, no word has been received on this subject. In discussing this with HALL, CG 5824-S* pointed out that the Russians had sent a radio message approving two places for the transfer of money during 1968. He gave HALL a general interpretation of this to the effect that the Russians have agreed to furnish funds to the CP, USA during 1968 and further that it is possible that this may signify that they will give the same amount as last year and therefore did not bother to detail this amount in their message.

HALL's response to this interpretation was that if the subsidy for 1968 is the same as 1967, then it is not enough. He pointed out the Russians should realize that the CP, USA in

CG 134-46 Sub B

1968 will begin publishing a new daily paper, must participate extensively in the national election campaign, may hold a National Convention of the Party, and will also launch a new Party program. All of these take a lot of money. HALL continued that he had already committed large amounts to these projects, especially to the new daily paper. The Party will publicly state at the public rally to launch the paper that it had collected a half million dollars for the new daily. HALL stated that this is true in fact and that besides the large amount which he had put into this project out of CP, USA reserve funds, the drive for the new paper had collected some money, some had come from wills, and some had come from subscriptions to the paper. HALL stated regarding subscriptions that one person gave a \$10,000 subscription and they are getting many \$1,000 subscriptions. Although CG 5824-S* pointed out to HALL that such an announcement possibly might hurt him with the Russians who might revise the amount of the next subsidy, HALL stated that it might be too late to stop this announcement. The whole purpose of this discussion on funds was that HALL asked how the CP, USA got this decision from the CPSU last year. CG 5824-S* responded that he had had to make a trip to the USSR at that time to learn the amount of the subsidy, but this year they stated they would advise the Party. HALL then stated that perhaps CG 5824-S* would have to make another trip for the same purpose. CG 5824-S* urged HALL to hold off on such a trip at this time and give the CPSU a chance to send the answer since they may well be delayed owing to the fact that the international committee which gathers and allocates this fund may be having a difficult time since some of the former member countries have dropped out. HALL agreed to this delay but indicated that it may be desirable for CG 5824-S* to go to Prague for this answer in conjunction with a trip to Budapest should no answer be forthcoming by that time. CG 5824-S* remarked to this office that the Russians may be holding off until HALL goes to Budapest to inform HALL there about the decision on the money. If this is so, CG 5824-S* noted this would look to HALL like an eroding of the usefulness of the apparatus and he may begin to wonder why he needs an apparatus if he has to get the answer himself.

HALL and CG 5824-S* also discussed the fact that there have been some major changes at the "World Marxist Review" in Prague and that the "World Marxist Review" owes some money to the CP, USA, both in reimbursement for the mailing of the "World Marxist Review" in this country handled by the CP, USA, and for royalties owed to CP, USA members whose articles have

CG 134-46 Sub B

been published in the magazine. Since CG 5824-S* has handled such financial transactions in the past, HALL doubted that the "World Marxist Review" would like to deal with anyone else from the CP, USA on this subject. Therefore, CG 5824-S* might have to make a trip to Prague for this purpose also.

As a result of this discussion, HALL agreed to hold in abeyance his decision about whether he wants CG 5824-S* to make this trip but would "play it safe" and inform the HSWP that there might be a fourth member of the CP, USA delegation, and inform the CPSU that CG 5824-S* would be going to Budapest so that they would make the usual arrangements for a visa for CG 5824-S* traveling under his cover legend.

In regard to HALL's attendance at the Budapest meeting, CG 5824-S* advised that whereas HALL had been adamant some months ago that he would represent the CP, USA at the meeting, he was not enthusiastic at all at this time about attending. In the informant's opinion, HALL may be waiting and watching to see who will attend publicly. If some of the other big communist leaders back off, HALL may do the same. Rather than leaving on 2/16 or 17/68, as previously planned, HALL stated he will not leave for Budapest before 2/20/68. Of course, HALL's reluctance may be based upon the problems existing in the CP, USA at this time. It is known that HALL canceled his intended 2/4-5/68 trip to San Francisco on this basis and instead asked HENRY WINSTON who was going to Los Angeles to also spend a few days in San Francisco to handle whatever business HALL had intended to take up there.

The above information is furnished to the Bureau and New York so that each is aware of the possibility that CG 5824-S* may be required to travel abroad in the near future. What effect, if any, the current condition of may have on this situation is not known at this time.

b7D

UNITED STATES

MENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS - C

DATE: 1/31/68

Re Chicago letter dated 1/2/68 regarding efforts to locate suitable replacements and/or assistants for the Solo informants.

Former PSI [redacted] has contacted [redacted] and made arrangements for a dinner appointment with him. [redacted] has been carefully briefed by Chicago Agents as instructed by the Bureau in order to obtain the maximum results from his meeting with [redacted]. The Bureau will be promptly advised of any pertinent developments resulting from this meeting.

b7D

On January 29, 1968, CG 5824-S* advised that [redacted] recently returned to Chicago from his trip to the East Coast [redacted]. He stated he recently learned from [redacted] that the [redacted] reportedly had for a [redacted] this past summer was actually for the removal of a [redacted]. Source was not aware of the seriousness of [redacted] present condition, however, [redacted] has expressed that he is in great pain and along with his diabetic condition and his [redacted] problem he has been in very poor health of late. [redacted] stated that he has kept the knowledge of his [redacted] from his wife until just recently.

Chicago will attempt to maintain an up-to-date knowledge of [redacted] through contact with CG 5824-S*.

- 2 - Bureau (RM)
- 1 - New York (100-134637) (Info) (RM)
- 1 - Chicago

RAV:mes
(4)



79 FEB 12 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

[redacted] recently advised that he is preparing a prospectus concerning his record business and future plans which will be given to [redacted] and [redacted]. Source has advised that since he was originally contacted by [redacted] neither of them have recontacted him for the expressed purpose of reviewing this prospectus. It is to be noted in this respect that GUS HALL recently advised CG 5824-S* that before any Party funds are invested in any business in the future, the Party will want to take over control of the business.

CG 5824-S* has not had the opportunity to review the list of Communist Party, USA leaders in the New York District previously furnished by New York to assist New York in identifying those individuals who offer the best possibilities in the program for finding suitable replacements and/or assistants for the Solo informants.

This matter will be followed closely and the Bureau will be kept advised.

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 2/5/68

FROM: SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

Enclosed for the Bureau are two copies and for the New York Office one copy of an informant's statement entitled, "JAMES JACKSON."

The information appearing in the enclosed informant's statement was orally furnished on February 1, 1968, by CG 5824-S*, who has furnished reliable information in the past, to SAs ROBERT A. VILLEMURE and WALTER A. BOYLE.

1-204 74P
②-Bureau (Enc. 2) (RM)
1-New York (100-134637) (Enc. 1) (Info) (RM)
1-Chicago

WAB:MDW

(4)



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

98 FEB 13 1968

REC 18

EX-105

6 FEB 13 1968

100-428091-6750

JAMES JACKSON

It was learned during January, 1968, that while JAMES JACKSON was in Moscow, USSR, during November, 1967, he had contacted Progress Publishers, Moscow, who had published in the English language JACKSON's book, "U.S. Negroes in Battle: From Little Rock to Watts." Progress Publishers paid JACKSON, \$1,300 in royalties from the sale of his book in the USSR. They said that the book had not been shipped out of the Soviet Union but had been placed on sale in the international book store in Moscow for those Russians who want to read English.

When JACKSON returned to the United States, he became involved in a disagreement with other members of the Communist Party, USA (CP, USA) leadership on this subject. JACKSON learned that the CP, USA planned to publish CLAUDE LIGHTFOOT's report to the National Negro Commission and the National Executive Board, CP, USA. JACKSON became angry because in his opinion the Party had made no effort to circulate his book. The Party leadership therefore agreed to circulate JACKSON's book. At this, JACKSON told the Party to buy the copies of his book from WILLIAM WEINSTONE at New Era Books, but the Party responded that they had already paid for the books. It seems that when Progress Publishers in Moscow shipped the books to the United States, GUS HALL instructed that the Party pay for them. The books were shipped directly to JACKSON in care of "The Worker," and the Party paid Progress Publishers for them. JACKSON took the books and sold them himself, some of them wholesale to WEINSTONE at New Era. According to JACKSON, when he went to Moscow this last time, he paid the Russians a second time for these books, but JACKSON could not recall whom he paid.

GUS HALL is angry at JACKSON and believes that JACKSON pocketed all of the money for the books. However, the Party is now committed to repurchase the books from New Era and circulate them.

It was also learned that during December, 1967, JACKSON was making a lot of suggestions plus numerous demands on HALL for special assistance for JACKSON in the Foreign Affairs Department of the CP, USA, of which JACKSON is Chairman. According to JACKSON, he cannot continue to work under

- 1 - 100 - 42 2091 - 6750

ENCLOSURE

the present circumstances, without money, without a place to work, and without even a stenographer whose services he can get for a reasonable time. HALL has finally stated he is willing to accede to JACKSON's demands if a stenographer can be found for him. The money involved is not the major question involved, according to HALL. The problem is to locate a stenographer who is an old-time comrade well known to the Party.

~~TOP SECRET~~

2/26/2011
ML

TO :

PERSONAL FOR [REDACTED]

b6
b7C
b7D

FROM :

[REDACTED] WASHINGTON

(Solo)

1. MR. William SULLIVAN informs me that at a National Committee meeting of the Communist Party, U.S.A., in New York last week Gus HALL, General Secretary C.P.U.S.A., said he had it on the best of authority that the United States intended to escalate the war in Vietnam on January 29th, and that he had advised the Soviets to this effect.

2. Pressed by a Party member to state the nature of his source in order that it could be checked for reliability he finally admitted it came from a Party functionary in Milwaukee, Wisconsin, who had got it from the Party State Secretary there named [REDACTED] and that the information had come in the first place from a high government official. Neither the name of the official nor the name of the government was mentioned.

b6
b7C

3. Inquiries have revealed that [REDACTED] have been actively engaged in Communist Party activity in Wisconsin since about 1940, and that their [REDACTED]

[REDACTED] has been occasionally associated with Party members and activities since about 1956. She has been considerably more active, however, in Communist youth, in Peace and Civil Rights movements and activities in Wisconsin in these last five or six years and [REDACTED] has been similarly engaged to an even greater extent, and attended, for example, at the conference of Peace and Party delegates in Bratislava, Czechoslovakia, in September, 1967.

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b7C

100-428091-
100-428091/2

Rec'd
[REDACTED]

~~TOP SECRET~~

File
5

NOT RECORDED
FEB 12 1968

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b7C
b7D

98 FEB 16 1968

~~TOP SECRET~~

- 2 -

4. You will recall that A.L.P. (W.A.) Senator John Murray WHEELDON (born 9th August 1929, Subiaco, W.A.) accompanied Dr. James Ford CAIRNS, M.P., on his visit to the United States in June and July last year. Their visit was organized by the 'Committee for a Sane Nuclear Policy' ('SANE'), who undertook to meet all Dr. CAIRNS' expenses to and from Australia and while in the United States, but not Senator WHEELDON's fares to and from Australia.

5. While in Wisconsin, it has been reliably reported, Senator WHEELDON was the guest of Mrs. [] and subsequently invited her to visit Australia at quote no expense to herself unquote.

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6. Mrs. [] obtained a United States passport [] in Chicago on 24th July 1967, and an Australian visitor's visa [] in New York on 14th August 1967, at which time she indicated that she intended departing for Australia from San Francisco on 24th August 1967, and that her address there would be care of Senator John M. WHEELDON, Commonwealth Parliamentary Offices, Perth. She said she intended to be in Australia for from three to four weeks. It was subsequently reported that she said on her return that she had taken part in various 'Peace' activities while in Australia.

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7. In October 1967, Mrs. [] began [] and in her current application for a migrant visa for Australia describes herself as []

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8. The Bureau is pursuing its inquiries to establish further details and facts relating to this matter, both in the Party and through sources close to the [] but it seems at this stage that the information that Gus HALL passed on to the Soviets, which HALL regarded as ^{of} the utmost importance, might have come from Senator WHEELDON or possibly Dr. CAIRNS, via Mrs. [] and the Party apparatus in Wisconsin, and could have originated from something President Johnson confided in Australian or other

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~~TOP SECRET~~

.../3

1967 SEP 19 1967

~~SECRET~~

- 3 -

political leaders while in Australia last month.

9. Mr. William SULLIVAN gives us this information in the greatest confidence, stressing that there is no indication at present that President JOHNSON did in fact make such a statement to anyone in Australia, and no proof, if such was the case, that Dr. CAIRNS and/or Senator WILLIAMS were the channel through which it was passed to Gus HALL and to the Soviets. However, from what Gus HALL has admitted within inner Party circles, this possibility must be taken into account. Mr. SULLIVAN will keep me informed of any further developments in the case which I shall relay to you personally as soon as they become available.

10. Meanwhile Mrs. [] is pressing her application for a migrant visa for Australia, and I shall await your instructions in the handling of it.

[]

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~~SECRET~~

DIRECTOR, FBI (100-3-99)

1/31/68

SAC, NEW YORK (100-91330)

CP, USA - TOPLEV
IS-C

[REDACTED]
IS-C

ReNYlet to Bureau, 1/18/68.

In mid afternoon on 1/23/68, [REDACTED] met with Special Agents (SAs) JOHN A. HAAG and [REDACTED] in a small, quiet restaurant near 8th Street and Broadway in New York City. He stayed with the Agents for an hour and a quarter. Their conversation ranged from a description of how the Bureau handles a simple spurious complaint to the circumstances under which [REDACTED] could conceivably be utilized as an integral part of the Department of Justice - FBI.

At first [REDACTED] appeared hardly more than curious, though willing to "chew the fat with you cats" because, as he put it, "the time had come to sit down and talk things over". He protested, more than once, but with less vigor each time, that he had not agreed to meet with the SAs in order to capitulate, but only to "hear you out". He stayed and he listened and as the interview wore on he became more interested and more receptive. He seemed more interested in how he could fit into the Justice Department - FBI picture than whether he could or would so fit. And, that interest did not appear to be merely a defense or parry. The contacting SAs told [REDACTED] that they had read what he had written in "Freedomways" and elsewhere, had studied his background, and believed him to be consciously and purposely enigmatic, a sincere, militant, fully committed Black Nationalist, who should not be categorically labeled out of hand as a Marxist-Leninist, a Communist, Democratic or Republican, despite the

4-Bureau (100-3-99) (RM)

[REDACTED]
(100-428091) (SOLO)

1-New York [REDACTED] (INV) (41)

1-New York (100-134637 Sub C) (REPLACEMENT AND NEUTRALIZATION) (41)

1-New York (100-91330) (41)

RJQ:eac

51 FEB 21 1968

NOT RECORDED
100 FEB 5 1968

ORIGINAL FILED IN 100-358916

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NY 100-91330

fact that some people so labeled him. [] agreed with the summarized description, commenting that he would describe himself as independent and uncommitted politically and philosophically.

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When it became apparent that [] was truly interested in what the SAS had to say, great care was taken to flatter him. He was complimented on the careful research that went into his articles. He was told that he did not appear to be simply a parroting opportunist working for his keep. Then, it was forcefully suggested to him that his time and talents were being wasted on an obscure and narrowly circulated parochial publication like "Freedomways". He genuinely enjoyed the implications apparent in the tag "parochial". The SAS pressed on. [] was told that he could give far greater effect to his obviously sincere ideals as regards the Negro by allying himself with the US Government. They were not interested they said in "using him" or making him a "mere informer". He was too valuable for that. What then could he do, he wanted to know. "Man, I couldn't go that counterintelligence bit!", Possibly not, they said, but he could be an "evaluator" or a "consultant". He accepted that concept. It may be noted here that occasionally [] interjects "hip" Negro patois into his conversation. He appears to do so more for colorful emphasis than for lack of vocabulary. He speaks well.

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[] sounds intelligent, is good humored, dignified, and serious.

[] was challenged to cite one single thing which the Communist Party had done for the Black man. He did not. The SAS then recounted the relatively recent gains made by the Federal Government for the Negro in the fields of housing, education, employment and civil rights in general. The FBI's part in these efforts was stressed and finally [] was invited to join the Federal team. His response was "How?". "What special thing could I do?". "There are plenty of good Negroes in Washington, D.C.", he said. He did not appear to be dodging the issue. He wanted specifics.

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NY 100-91330

Unable to be specific "at this point" and saying so, the SAS instead constructed hypothetical situations in which a person of [] unusual background and special bias could make evaluations and give opinions where others could not. For example, they said, given a particular new Negro group applying for Federal funds, [] presumably knowing the personalities involved and weighing the relative merits of the group's purposes, could give an opinion as to the ultimate worth of such an expenditure. Taking the example a step further, and drawing on their statement that the CP had done nothing for the Negro, it followed that if Government funds were destined for a Communist cause, then a right thinking, sincere Negro Nationalist would have to turn thumbs down on such an expenditure. It was pointed out to [] that the FBI is called upon to "look into the activities of many groups to establish their aims and purposes and determine whether or not these are inimical to the interests of the US. Facts are gathered and expert opinion obtained and presented to the Department of Justice or other interested Government agencies (sometimes to the President himself), and judgments made thereon. In many instances time is of the essence.

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[] was told that because of his background and "obvious" intelligence, he is in a special position to render opinions - even judgments in the expert category, on the placid or perilous nature of groups and organizations, particularly those in the race relations field in New York City.

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[] was given the example of the "Five Percenters" - a little known Negro youth group who considers themselves the five percent who are beyond rehabilitation. The Bureau may receive a complaint about this group, and while information would certainly be developed, it would be piecemeal and time consuming. On the other hand he was told, "I'll bet you can give us a precise resume of this group off the top of your head (immediately and extemporaneously). In this kind of situation especially you can be invaluable to this country".

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[] asked logical questions within the context of the hypotheses and seemed satisfied that he could "fit in".

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NY 100-91330

The SAS suggested that it could be difficult for an individual with his background and political posture to make the transition from "one side to the other" and, that there were those who would severely criticize him for such a move - . He quickly and forcefully answered that he didn't care what anyone said about him (in that situation), that his mind and his actions were his own.

Immediately thereafter, and after a moment of sober reflection, [] confided that he could conceive of himself "working for the Government some time", but only under the right Administration and never "in good conscience" with the JOHNSON Administration. The SAS pointed out that an Administration tailored to his own personal standards might never come to be and, in the meantime the valuable opportunity to put his own ideals and motivations into action would be lost. It was suggested that just because he joined the Government under one Administration or another it didn't follow that he had to abandon his identity or independence. He reluctantly agreed, and, further, added that if KENNEDY had lived longer, he would have been able to "fit into his Administration somewhere".

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The interview ended on an even friendlier note than it began. [] promised to consider the matter carefully from all angles and meet again with the interviewing SAS in the near future.

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Evaluation

[] reception of the SAS was highly unusual for a member of the National Committee of the CP. His prolonged meeting with two FBI Agents in a public place was not a frivolous gesture or an effort to be rid of the FBI once and for all. It was the considered opinion of the contacting SAS that [] demeanor throughout the contact dictated to the contrary. [] is interested. He will consider the matter. He recognized the need for keeping the matter confidential and said so.

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It is true that the SAS did much of the talking - but only because [] "a good listener", was careful of

NY 100-91330

what he did say and, after all, [] was there to see what the FBI had to say to him, and not to "talk" himself.

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He will be recontacted within the next 45 days.

Miscellaneous

[] told the contacting SAS that he chose the first name [] arbitrarily in an endeavor to help eliminate mistakes often made as to which is his first name [] or []

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The question of "money" never became pertinent during the above-described interview. In fact, [] so stressed idealism, "good conscience" and so forth, that to use "money" as a moving force would have been impertinent. During the next meeting, when opportune, the fact that the Bureau will pay for services rendered will be made clear to him.

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UNITED STATES GOVERNMENT **ROUTE IN ENVELOPE**
Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 2/5/68

FROM: *mf* SAC, CHICAGO (134-46 Sub B)

SUBJECT: *SOLO*
IS-C

10
1-1
Enclosed herewith for the Bureau are two copies and for the New York Office one copy of an informant's statement entitled, "ALBERT J. LIMA."

The information set forth in the enclosed informant's statement was orally furnished on February 1, 1968, by CG 5824-S*, who has furnished reliable information in the past, to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE.

7/18

REC-18

100-428091-6751

EX-105

6 FEB 13 1968

1-904
942
ENCLOSURE
②-Bureau (Enc. 2) (RM)
1-New York (100-134637) (Enc. 1) (Info) (RM)
1-Chicago

WAB:MDW

(4)

5-2



98 FEB 15 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

ALBERT J. LIMA

While in the USSR for the celebration of the 50th Anniversary of the October Revolution held during November, 1967, in Moscow, GUS HALL, General Secretary, Communist Party, USA (CP, USA), purchased a plaque bearing the relief of KARL MARX which he desired to have hung in the National Office of the CP, USA. This plaque is made of bronze-tinted aluminum. This plaque was purchased for 230 rubles which amount represented the royalties paid to HALL for the publication of an article by HALL in the book entitled, "The Great October and The World Revolutionary Process," published in the USSR.

The plaque was turned over to ALBERT J. LIMA in the USSR and LIMA was to bring it to New York City. It was later learned that LIMA merely shipped the plaque to the United States as part of his baggage but did not claim it at the airport on his arrival in the United States. LIMA turned the baggage claim check over to HALL, and it is understood that HALL sent ARNOLD JOHNSON to recover the plaque.

100-4-101-6751
JAN 1968

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 2/9/68

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

5- R. P. [unclear] [unclear]

7/5
References made to the following communications captioned as above relative to concern expressed by Soviet and CP, USA officials because of publication of the name of CG 5824-S* in a report published by the United States Government: CGlet dated January 4, 1968; Bulet dated January 19, 1968; NYairtel dated April 25, 1967; and, Bulet dated March 3, 1967.

On February 5, 1968, CG 5824-S* stated that the last time he was in New York City he had obtained a copy of the book in question from JAMES JACKSON, Chairman of the International Affairs Department of the CP, USA. The informant had earlier expressed the opinion that this book was not identical with any book of which we were previously aware; however, the informant had been unable up to that point to either obtain a copy of the publication or to observe the publication at firsthand. CG 5824-S* stated that the book was indeed "Communist Party, USA - Soviet Pawn," a staff study prepared for the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws, of the Committee on the Judiciary, U.S. Senate. In view of the fact that the report containing the informant's name has been identified as one concerning which we were previously apprised, no further action is being taken by the Chicago Office. *C*

- ②-Bureau (RM)
- 1-New York (100-134637) (Info) (RM)
- 1-Chicago

WAB:MDW
(4)

REC 5 EX-103

100-428091-6752

25 FEB 16 1968



9 8 FEB 21 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *Due*

DATE: February 13, 1968

FROM : C. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY - C

7/11
Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 2/13/68, transmissions were heard by the Bureau's radio station at Midland at which time a message, NR 278 GR 145, was intercepted.

The plain text and cipher text are attached.

The New York Office is aware of the contents.

ACTION:

For information.

Enclosure

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attention: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS:drv

ENCLOSURE

REC 5:

EX-103

100-428091-6753

25 FEB 16 1968

5-68

9 8 FEB 21 1968

2/13/68

NR 0278 GK 145

02/13/68

94442 78553 54502 45552 16659 15059 77544 57871 52492 85916
76952 84172 50581 64000 91732 42764 89733 39968 70954 89467
03822 10018 07407 55437 41294 60562 79727 40391 04953 21756
84072 18349 35935 76813 01259 33744 66996 11408 04395 47275
90488 83032 04916 84204 48232 31688 22855 66294 10171 16937
89034 88047 09669 24820 53719 39857 94358 49243 37201 46794
65640 21350 75865 65075 89235 56464 21998 74220 21736 03205
67294 31109 36355 63768 76496 76449 21105 30195 53410 60572
78890 60882 15965 41284 93415 70369 89277 31289 16360 07875
32449 96749 94147 72634 13669 37756 14613 10019 97183 26465
27979 62344 83135 24411 70163 06682 08339 22674 38435 94192
67548 66842 40119 32731 45774 97755 96866 05283 73121 60283
81234 63198 39901 52590 48207 41167 33813 63537 38568 18390
33303 06923 84602 96578 42610 22238 20911 51777 04134 98877
11365 31554 03172 87616 66914

100-428091-6753
ENCLOSURE

NR 02/8 GR 145

02/13/68

#1# PLEASE CHECK "ROSY" ON ALL DAYS EXCEPT WEEK-ENDS, HOLI
DAYS AND "DUKE" DAYS. CONFIRM RECEPTION OF OUR SIGNALS SAME
DAY BY TELEPHONE. DON'T TOUCH OUR BOTTLE COVERS, WE REMOVE T
HEM OURSELVES. #2# WE REPEAT YOUR USAGE OF "TOPSY" ^T ^N ~~AX~~ ~~IK~~
CASE WE DO NOT RESPOND ND ~~S~~ TO YOUR CONFIRMATION BY "POLL" OR TE
LEPHONE ^g ~~A~~ OF OUR "DUKE" YOU SHOULD USE "TOPSY" AS RESERVE SI
GNA ON DAY FOLLOWING DUKE TILL ~~1/2~~ ⁹ ~~1/2~~ P.M. ~~B~~ IN CASE WE DO NO
CONFIRM YOUR POLL SIGNALS FOR "SISTERS", "GIRLS" ETC, USE
"TOPSY" ON DUKE REPEAT DUKE DAYS. #3# PLEASE CONFIRM ~~XXX~~

ROUTE IN ENVELOPE

F B I

Date: 2/9/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, NEW YORK (100-134637)

SUBJECT: SOLO
IS-C

On 2/9/68, CG 5824-S* advised that on 2/8/68 at 9:10 PM, he observed what appeared to be the TV signal scheduled to be sent by the Soviets during this time period, 9:00-9:30 PM, on Channel 4. The source observed this TV signal at the residence of NY 694-S*.

At 10:00 PM, CG 5824-S* acknowledged that he had observed this signal by calling 459-9775 and letting it ring three times.

(See NY airtels 1/31/68, p. 5, and 2/1/68.)

- 3 - Bureau (RM)
- 1 - Chicago (134-46-Sub B) (AM RM)
- 1 - NY 66-6989 (INV) (CI)
- 1 - NY 105-14931-Sub C (TALANOV) (341)
- 1 - NY 100-134637 (41)

JFL:msb
(8)

REC 5

100-428091-6754

25 FEB 16 1968

9 Approved: [Signature]
Special Agent in Charge

Sent _____ M Per _____

ROUTE IN ENVELOPE

Date: 2/7/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

On 2/6/68, CG 5824-S* transmitted to the Soviets,
 by way of a New York City drop, ciphered-partially coded
 microfilmed messages, the plain texts of which are as follows:

(1) "CCCPSU

"In answer to your radio message of January 31
 regarding Budapest Consultative Meeting, the official public
 delegation of the National Committee, CPUSA will be
 GUS HALL, JAMES JACKSON and DANIEL RUBIN. CG 5824-S* will
 come separately via Prague in the usual manner. Mrs. ELIZABETH
 HALL will also accompany me.

"GUS HALL
 General Secretary,
 NC, CPUSA"

(See NY airtel 1/31/68)

- 3 - Bureau (RM)
 1 - Chicago (134-46-Sub B) (AMRM)
 1 - NY 100-134637 (66-6989) (INV) (CI)
 1 - NY 105-14931-Sub C (TALANOV) (341)
 1 - NY 100-134637 (41)

JFL:msb
 (8)

REC 5

25 FEB 16 1968

Approved: _____

Sent _____ M Per _____

98 FEB 26 1968 Special Agent in Charge

NY 100-134637

(2) "CCCPSU

"The answer regarding colour prints for 1968 is not clear concerning amount and time factors. Your immediate reply on this urgent matter is most essential.

"GUS HALL
General Secretary"

(GUS HALL is pressing the Soviets for the amount and delivery time of the money the Soviets are sending to CPUSA in 1968.)(See NY airtel 1/29/68, p. 4)

(3) "CCCPSU

"When Budapest Consultative Meeting is completed, it is urgent that our comrade DANIEL RUBIN, Organizational Secretary, CPUSA, go to USSR by invitation of your CCCPSU. A most thorough medical examination can be given to him. He is suffering from a virus which constitutes continuous infection. This handicaps him and, of course, the work of the Party.

"We are certain that your medical specialists can find the root of his ailment and help him. The Secretariat of the National Committee of the CPUSA respectfully requests that this invitation be extended to comrade RUBIN while he is attending the Budapest Meeting.

"GUS HALL"

NY100-134637

(4) "ccccpsu - Urgent.

"The NY Times of January 30th. 1968 contained a news item reflecting that seven USSR track and field athletes would compete in the meet scheduled for February 16th at the new Madison Square Garden in New York and sponsored by the New York Athletic Club.

"The New York Athletic Club sponsors an annual track and field meet in New York City. This year the meet is to begin on Feb. 16 and will be held in the new Madison Square Garden. The Olympic Boycott Committee has called on all athletes to boycott this track meet, since the New York Athletic Club bars Negroes and Jews from membership or the use of its facilities. (In past years Negro track men have participated prominently in N.Y.A.C.-sponsored meets, but are not even allowed inside the club's headquarters.) The Olympic Boycott Committee has called for an integrated picket line outside the Garden on the 16th to protest the N.Y.A.C.'s discrimination.

"Virtually every Negro athlete in the country (with the exception of two, one of whom is a soldier-athlete who says he will participate if the U. S. Army orders him to) is supporting the boycott of this meet. The New York City public and Catholic high schools have announced they will not participate. Several predominantly Negro colleges have announced their teams will not participate. Some predominantly white colleges have made participation "optional" for their track teams. Some white athletes have already announced they will support the boycott, and more are expected to do so.

"In addition, this N.Y.A.C. boycott is supported by Dr. Martin Luther King, Floyd McKissick, Jackie Robinson, and other prominent Negro leaders.

"It would be important for you to consider withdrawing your athletes from this track meet - which will be picketed by civil rights groups protesting the anti-Negro and anti-Semitic policies of the New York Athletic Club. Your withdrawal for the same reasons should not have any adverse effect politically.

"GUS HALL"

NY 100-134637

- (5) "The following pertinent extractions from a report, prepared by [REDACTED] and distributed to an extremely limited Wall St. group, would seem to be of considerable interest to your economic specialists.

b7D

"NY 694-S*"

Limited Distribution

Late December, 1967

THE
GOLD OUTLOOK
and
South African and Other Gold Stocks

"The demand for gold in the world is practically infinite. We have to choose (as a voter) between trusting to the natural stability of gold and the natural stability of the honesty and intelligence of the members of the government. And with due respect for these gentlemen, I advise you, as long as the capitalistic system lasts, to vote for gold."

George Bernard Shaw

"The Intelligent Woman's Guide to Socialism
and Capitalism" - 1928

Gold is a commodity having established and widening uses in industry and the arts. Also it is a monetary metal having unique worldwide acceptance, performing needed economic services as a medium of exchange for international settlements, as a monetary base for credit and as a store of value.

On January 31, 1934 the latest great change in the monetary value of gold in the United States took place, through revaluation from \$20.67 to \$35.00 per fine ounce. This act of stabilization followed a much earlier suspension of gold payments, on March 6, 1933. The \$35 price was high in relation to immediate production costs; therefore, production of gold was encouraged, and gold output of the "Free World" rose from 23.5 million fine ounces in 1934 to 36.1 million in 1940.

Economic dislocations of World War II caused a decline of gold output. Prior to this, however, the higher price had stimulated exploration, with a result that a great new mining area was found in 1938 along the "West Wit Line" of the Western Rand of South Africa. Exploitation of this rich area became significant during the 1950's and 1960's, and Free World gold production grew to a peak of 41.7 million ounces in 1965 and 1966. South African production, which had been less than half of the Free World total, rose to 74% of total output in 1966.

In most areas where gold is produced, production is now being maintained only by cost subsidies or price premiums, as mining costs have risen enormously since the price of gold was fixed in 1934. Total output has become grossly inadequate in relation to requirements for gold. However, under the pressure of rising costs, aggregate production in South Africa officially is expected to decline beginning in the early 1970's. In the rest of the world output has been declining for a long number of years.

A steep decline already has taken place in the supply of gold from the Soviet Union, traditionally the largest supplier next to South Africa. The Soviets consider gold a strategic commodity, and they have always withheld statistics covering production and reserves. To pay for emergency imports of wheat, Russia sold over \$1 billion of gold in the two years 1964-65, but since then it has not been a seller. Communist China has become a substantial buyer over the past two years.

As a commodity subject to ordinary pressures of supply and demand, gold today is probably more underpriced than it was overpriced after the revaluation of 1934. The price of copper, now over 40¢, then was 8¢; the price of silver, now over \$2, was less than 50¢. Thus, gold as a commodity has been under important upward price pressures - especially since actual uses in the arts and industry have been steadily expanding. Gold has a unique attraction in the arts and a growing variety of special uses in industry, and world demand for gold for these two outlets has tripled over the past decade. In 1966, such uses absorbed approximately \$500 million of gold, or over a third of Free World production of \$1.4 billion.

In addition, gold demand by individuals for investment has become of over-riding importance. Since the beginning of 1966, for the first time in modern history, private purchases plus uses in the arts and industry have been causing a decline in the aggregate gold reserves of the central banks of the world. Private demand reflects the position of gold both as a commodity and as a monetary medium. Such demand is strongly motivated by the twin influences of fear and speculative ambition.

Individuals who have been purchasing gold, all over the world, whether wealthy or of only moderate means, have variously been concerned about possible currency depreciations in their own countries and optimistic about the possibilities of profits on gold. Thus, an increasingly large private demand for gold has been interfering with the traditional role of gold as the principal constituent of the credit base, constituted by gold and key currencies, which underlies the activities of central banks all over the world. Such a reserve base is necessary for international settlements in the financing of a growing volume of production and trade. Over the past decade, the growth of world trade has averaged, in currency terms, about 7 1/2% per year.

Concern about persistent currency depreciation is the most important force giving rise to gold purchases by individuals. Annual depreciation of major currencies in terms of purchasing power has averaged 3.4% over the past decade. In some countries decreases in purchasing power have been accompanied by rises in the price of gold. In Great Britain the gold price rose in November 1967 by 12% as a result of devaluation of the pound.

Over a long period a much greater decline of purchasing power has taken place than during the past decade alone. Over the past 60 years, a period affected by World Wars I and II, most currencies have undergone such declines that, in terms of gold, an average of 50 currencies commands less than 1/100th of former values.

In some countries, particularly in the Orient, gold has become recognized as almost the only way of protecting savings. The experiences of depreciation in Great Britain and the United States have been far milder than in most countries, but British and American individual holdings of gold figure very little in the total picture of individual gold investment. Britons and Americans by law are forbidden to own monetary gold.

In a variety of countries, rules and regulations make it difficult - in some cases impossible - to purchase monetary gold. The principal countries prohibiting private gold ownership are as follows, in relation to total world population:

| Countries Prohibiting Gold Ownership | Share of World Population |
|--------------------------------------|------------------------------|
| China | 23.29% |
| India | 14.65 |
| Russia | 7.16 |
| United States | 6.04 |
| Nigeria | 1.75 |
| Great Britain | 1.69 |
| Philippines | 1.00 |
| Other countries combined | <u>4.28</u> |
| | 59.86% |

In some countries controls are only moderately effective. In these, such as India, private purchases, supplied by smuggling, continually have been accomplished at prices up to \$100 per ounce, or from two to three times the established London Free Market price of \$35 per ounce. In many other countries there are no obstacles at all to ownership of gold, except the costs and expenses of insurance and storage, including a loss of interest return on an "idle" gold investment.

In the United States, as in most countries, it has become established policy - under today's modified Keynesian doctrines - to employ fiscal and credit measures to further such a growth of production and trade as will maintain full employment. However, in the kind of environment so created, it has proved impossible to prevent the consequences, in wages and prices, of aggressive competition among the various segments of the economy to increase their own shares of the flow of income. These segments include labor, business, agriculture -

and government, too. In an economy where the theory of full employment is practiced, a result of such competition is, inevitably, an upward movement of prices. Economists deplore this, but there is no school of Keynesian or neo-Keynesian economists which has been able to propose a practical way to maintain price stability short of instituting a self-defeating complex of bureaucratic controls.

Thus, now, more than ever, there are basic reasons why people all over the world are concerned about declines in purchasing power of currencies, so that by various means they try to protect themselves. These means include ownership of gold shares, land, and equities providing inflation protection - also, ownership of gold itself.

In contrast, in the century from the end of the Napoleonic Wars to World War I, leading economies were not governed by a full employment requirement - and productivity gains kept up with increases in labor and other costs, so that the price of gold remained unchanged in the two principal industrial and financial nations, the United States and Great Britain, while prices of goods remained within a broad channel of stability.*

As a natural accompaniment of currency depreciation, there have been recurrent periods of severe concern over the future price of gold, ever since World Wars I and II. Accordingly, gold buying by individuals has been persistent, and mounting. The London Free Gold Market, with its official price of approximately \$35, has become a steadily enlarging source of supply. In this market, central banks, under the leadership of the United States, have maintained continuous offerings in the interest of maintaining monetary stability. The total amount which has gone into private hoards from the gold markets in London and elsewhere is not available. Since World War II it has probably approximated as much as \$15-\$20 billion, constituting a principal reason why needed increases in gold reserves of central banks ultimately ground to a halt by the end of 1965.

Private demand for gold reached a temporary, panicky peak in the London market in 1960, when the price soared out of control for a few days and gold sold as high as \$42. Largely by offerings from the U.S. Treasury, which then had reserves of some \$19 billion, the price was brought back to \$35. Later, in 1961, the so-called "Group of Eight" central banks was organized to insure against a repetition of panicky gold buying. France, not willing to deplete her own gold reserves, quietly withdrew from the Group of Eight in June 1967.

Since June 1967, the United States has been providing at least 59% of the gold supplied by the remaining Group of Seven. A large rise in the supply to the Free Market, out of official reserves, became necessary in November 1967, at a time of acute concern caused by the devaluation of the pound from \$2.80 to \$2.40. Later, on December 7, the U. S. Treasury announced a transfer of \$475 million from its reserves to the Exchange Stabilization Fund.

* A single, temporary exception took place in the United States when Civil War-caused financial difficulties gave rise to issuance of greenbacks and an advance, eventually reversed, in the dollar price of gold.

This brought U. S. Treasury reserves to \$12.4 billion as compared with a peak of approximately \$24.6 billion in 1949. Short-term international claims against our gold now exceed \$33 billion as compared with less than \$10 billion in 1949.

An important school of neo-Keynsian economists, which has acquired many supporters, particularly in the United States, deplores and criticizes the impersonal, regulating role of gold in the central banking mechanisms of the world. It advocates, instead, a new type of currency based on agreements among major banks and governments, and related to production and trade. Thus far, efforts in this direction have produced only limited results, and nearly all nations have been making obvious efforts to protect or expand gold reserves. A key reason: only nations with adequate gold reserves can make untrammelled decisions in important international political, economic and military matters. Furthermore, they are unwilling to finance on a continuing basis the imbalance of payments and the internal deficits and inflation of countries which do not appear to be taking remedial measures.

A 107-nation conference of the International Monetary Fund, held in Rio de Janeiro in September 1967, produced a much-debated agreement to create a new international unit of exchange, Special Drawing Rights (SDR's). These are defined in grains of fine gold. Should this tentative agreement be elaborated by the appointed national delegates into an agreed formal proposal to their governments, SDR's may come into force, but probably not before 1970. The potential expansion of world banking reserves through SDR's apparently would be on the order of only 1%-3% per annum.

The furor created by the sudden devaluation of the pound on the part of Great Britain from \$2.80 to \$2.40, on November 18, has not entirely subsided. The reactions of other countries have not yet been fully tested, and critical monetary questions still remain.

An important question revolves around the dollar itself, as the dollar is now, admittedly, the "front-line" currency in the maintenance of stability of the \$35 gold price. Maintaining this price is a matter of determined official policy, almost of dogma, on the part of the Administration and the Federal Reserve System. Earlier, it was also a matter of official U. S. policy to back up the stability of the pound. Actual devaluation pointed up that our outflow of reserves had become so great that the United States considered it imprudent to maintain an ultimate defense of the pound.

By law, the Federal Reserve System is conditionally required to keep a 25% gold reserve against Federal Reserve Notes. This requirement alone totals nearly \$10.5 billion today, leaving little margin as the gold reserve has shrunk to a somewhat debatable \$12.4 billion, which includes approximately \$1 billion not freely available; it is footnoted as a gold deposit held for the account of the International Monetary Fund.

In several thousand years of monetary history, gold has maintained a unique record of always having been in demand, and, practically speaking, almost never having declined in price. Thus, there are strong reasons in experience for the much criticized so-called "mystique" which surrounds gold, and the circumstances whereby both individuals and countries in most parts of the world prefer gold to dollars or other currencies. Following the recent experience of the British pound devaluation, in which foreign central banks that held unhedged sterling were hurt while those who had gold were protected, the essential preference of central banks for gold is finding itself reinforced.

It appears that our gold reserve will continue to decline, only the speed of the shrinkage being in question, unless one or more of the following circumstances changes:

1. Individuals and banks all over the world reverse a widespread psychological preference for gold as compared with dollars or other currencies.
2. U. S. outlays all over the world for military and civilian projects requiring a dollar outflow, and thus setting up claims against gold, are dramatically reduced, so that the dollar can become strong in its own right.
3. A rigorous program of deflation is adopted by the United States.

Large economies are conceivable in areas of military outlay, but only if there are changes of policy. For instance, military expenditures abroad could be reduced. The total foreign and domestic military budget of the United States is now on the order of \$80 billion, or in excess of the peak World War II total. Our greatest outlays abroad are in Vietnam. Outlays in the billions of dollars also are being incurred for military installations and activities in Western Europe, and for military aid programs on other continents.

A number of devices are available to prevent a decline in reported gold reserves. These devices have included the so-called Roosa bonds, obligations of the Treasury issued to foreign holders and payable in grains of fine gold. These bonds are of both short-term and long-term maturity, and some already issued will mature over the next few months. In a recent interview, Robert Roosa, Under Secretary of the Treasury when these bonds were first issued, expressed concern over the future of the dollar, mentioning that continuance of the Vietnam war alone is involving a dollar gold drain on the order of \$2 billion per annum.

Proposals have been made to suspend by law the 25% gold reserve requirement. There has been no progress yet in such legislation, nor is the legislation a necessity, as the Federal Reserve already has conditional authority to go below the 25% ratio. Those economists, bankers and businessmen who are opposed to removal of the 25% gold reserve requirement offer a variety of reasons. Perhaps the principal reason expressed is that in the chilling light of monetary history there is more reason to trust a definite legal promise than to rest on a broad faith in one's government. An added point, made by some, is that for a country with foreign trade as large as that of the United States a reserve in the area of the legal \$10.4 billion could be regarded as a minimum working figure to preserve freedom of action.

If the \$35 ceiling price of gold were to end, how would this come about? The answer could be simple, although the event would have serious complexities. If past precedent gives a clue, a series of official denials of any change would at some point be succeeded by an official recognition of "force majeure" - a recognition that further sales of gold at \$35 per ounce would no longer be prudent. With the United States withdrawing as a seller, presumably no other holders of gold would possess sufficient determination and sufficient quantities of gold that full demands of the Free Market would continue to be met at the established price. Forces of demand would thereupon take over, with the price rising.

Various ultimate prices for gold have been mentioned by those who expect or favor a price rise, figures ranging all the way from \$70 to \$105 per ounce. It is doubted that an initial move would go as high as \$70. A price change could, more likely, resemble the move which took place in silver earlier this year when, in an unheralded move, the United States Treasury ceased sales of silver after a long period of fixed offerings at \$1.29 per ounce. A sudden move to \$1.50-\$1.60 followed. A later series of fluctuations has brought silver to a present level above \$2. The price of silver has not yet stabilized.

Following a final determination of a new gold price not only by open market forces but by negotiations among principal banks, a new price could be adopted for all currencies. With the United States representing the world's strongest economy, presumably other currencies would at least proportionately go along with any change in the gold price of the dollar. A pattern of stabilization could follow.

If the price of gold were actually to double, this would bring a gold profit to central banks, on the order of \$40 billion. Correspondingly, there would be a \$40 billion increase in the stated gold reserves of these banks, supplemented by some return of gold from private investment. An increase in reserves would technically result in an increase in lending capacity, and, theoretically, it would also result in a declining tendency of interest rates - rather than the advancing tendency which most people think of when confronted with thoughts of currency devaluation.

-10-

100 18 100 18 100 18

The persistent increase in international demand for gold offers obvious aspects of a "run on the bank". When such a run is taking place, literally no one can predict whether or not it will be stemmed - or the timing of events involved. Should gold increase in price, major beneficiaries would be the gold producers of the world. Following an interim period of difficulty and confusion, the central banks of the world could be beneficiaries, also, through registering a profit on their holdings of gold. To the degree that these holdings are reduced by previous sales made to preserve stability of the price of gold, the eventual profit, should the price of gold advance, would be reduced.

Some economists who deplore the continuing role of gold as an impartial economic arbitrator have suggested that the United States end its \$35 bid. In their opinion, such action would remove a prop to gold, perhaps resulting in a large price decline. Other economists consider this view unrealistic, allowing that the United States has been on balance a seller of gold, not a buyer, for some 18 years. Therefore a cessation of bidding on our part would not necessarily be influential in a world where gold has been retaining its widespread acceptance as a store of value.

There is little indication that the United States will apply, as it and many other countries did in the 1920's and 1930's, severe austerity measures in defense of the established monetary price of gold. No longer is it in political fashion to adopt such severe measures - as Britain recently showed in its eventually ineffective defense of the exchange value of the pound.

The foregoing considerations may provide a partial explanation of how, despite a background of political and financial uncertainty, the New York stock market has retained composure. Investors know that selected stocks do provide long-term inflation protection. They also know that resolution of a gold crisis generally involves a downward adjustment of interest rates which now, in many categories, are at record levels. Thus, in the context of a gold crisis, it is conceivable that we are now witnessing a historic turning point in income type equities, also in long-term bonds.

-11-

NY 100-134637

(6) "CCCPSU

"As yet we have not received your reply concerning [redacted] who is in Cuba, and who, in our opinion, would be a capable Marxist-Leninist stylist and translator. Your decision on this matter is requested.

b6
b7C

"GUS HALL"

(See NY airtel 12/2/67, p. 2)

(7)

Television
"Watched for ~~wax~~ test on Jan. 31 but saw nothing. Will watch for wax test on Feb. 8, Channel 4, 9 to 9:30 PM.

"NY 694-S*"

(See NY airtel 1/29/68, p. 5)

(8)

"ROSIE has been checked every morning except on radio days, Saturday, Sunday, and holidays. Observed bottle top, and removed same, on morning of Jan. 23, and went to drop PEG on Jan. 24, finding no message. To my knowledge, instructions did not include a telephone acknowledgment on Jan. 23 at 5:05 PM. Hereafter such acknowledgment will be made. Even though I received the radio message on Jan. 24, scheduling drop for Jan. 26, I nevertheless went to drop PEG on Jan. 24, believing you possibly intended two drops - one on Jan. 24 and one on Jan. 26.

"With reference to your suggestion about changing location of ROSIE, your comrades in Moscow, after close analysis of my daily routine, decided that general area of ROSIE was more consistent with my daily routine, and less hazardous to my security, than other areas. Therefore, ROSIE should not be moved from its present general area.

NY 100-134637

"Note that as regards emergency signal regarding personal meet, will give telephonic acknowledgment at 5:05 PM same day so that you may be sure personal meet will be made at 7:05 PM same date."

(See NY airtel 1/29/68, p. 5)

(9)

"There appears to be confusion regarding the use of TOPSY. My understanding is that when request is received for confirmation of radio, following is the procedure:

"(1) Confirm by walky-talky, same day at 8:15 PM to 8:25 PM - by two signals. If your acknowledgment by walky-talky is not heard at this time, on the following day confirmation of your radio message is made to valid telephone at 5:05 PM. If telephone is then found to be out of order, I go to TOPSY before 9 PM and deposit Piels bottle top.

"(2) On radio days, if I give signal between 7:50 PM and 8:00 PM, and do not hear your radio acknowledgment, I then deposit, prior to 9:00 PM, the appropriate bottle top."

(See NY airtel 1/29/68, p. 5)

(10) "Drop FREDA next, if unavailable use drop LISA."

F B I

Date: 2/9/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)TO: DIRECTOR, FBI (105-40818)
(ATT: FBI LABORATORY)

FROM: SAC, NEW YORK (105-14931)

SUBJECT: NIKOLAI M. TALANOV
IS - R
(SMUN - KGB)

ReNY airtel, 2/1/68.

CARBON COPY

As the Bureau is aware instructions previously received in the SOLO Operation provide for the transmission of a signal from captioned subject to the SOLO subject on the evening of 2/8/68, between the hour of 9:00 and 9:30 p.m. on this date.

At 7:11 p.m., ^{2/8/68}captioned subject and his wife exited the SMUN and entered the garage underneath the SMUN. At 7:28 p.m., he drove out of the garage with his wife and was next observed returning to the SMUN at 10:02 p.m.

FBI Laboratory personnel in the area of the SOLO subject's residence were monitoring a television set and taped two signals believed to be transmitted by TALANOV at 9:07 p.m. The signals were of approximately one to two seconds duration and about three to four seconds apart.

- 5 - Bureau (RM)
(1 - 100-428091) (SOLO)
(1 - FBI LABORATORY)
1 - New York (100-134637) (SOLO)
1 - New York

NOT RECORDED
199 FEB 19 1968

HAB:jaf
(9)

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

55 FEB 26 1968

ORIGINAL FILED IN 105-14931-101

NY 105-14931

On 2/9/68, the tape of the signal transmission was demonstrated to appropriate personnel in the NYO handling matters relating to the SOLO and TALANOV operations.

The Bureau is well aware of the intricacies of Soviet communications with their agents and the sophisticated techniques developed in this operation are an example of the latest Soviet developments in this field which are making our job much more difficult. The NYO feels that the success achieved in taping the signal on the evening of 2/8/68, materially assisted us in our investigative endeavors concerning the penetration of Soviet espionage. Although by no means solving the problem of such a sophisticated technique, as that set forth above, it is felt that the knowledge gained by the personnel handling such investigations in having viewed a "working example" of the signaling device on a television set, will be extremely valuable in the future.

The NYO is most appreciative of the efforts of the FBI Laboratory in assisting us with our endeavors to penetrate the Soviet espionage apparatus in the US.

UNITED STATES GOVERNMENT

Memorandum

REC-1
ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

DATE: 2/5/68

FROM: *mg/rr* SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

Enclosed herewith for the Bureau are the original and three copies and for New York one copy of a letterhead memorandum entitled, "ARNOLDO MARTINEZ VERDUGO, FIRST SECRETARY OF THE CENTRAL COMMITTEE, COMMUNIST PARTY OF MEXICO." *u SSR*

The information set forth in the enclosed letterhead memorandum was orally furnished on February 1, 1968, by CG 5824-S*, who has furnished reliable information in the past, to SAs ROBERT A. VILLEMURE and WALTER A. BOYLE. *M-1*

~~The enclosed letterhead memorandum is classified "CONFIDENTIAL" since unauthorized disclosure of the information set forth therein could reasonably result in the identification of this source who is furnishing information on the highest levels concerning the international communist movement, thus adversely affecting the national security.~~ *E*

In order to further protect the identity of this source, the enclosed letterhead memorandum has been shown as being prepared at Washington, D.C.

CG 5824-S* obtained the information in the enclosed letterhead memorandum during the course of a meeting with VERDUGO on or about November 30, 1967, in Moscow, USSR. The source was unaccompanied during this meeting.

During the course of this meeting, VERDUGO supplied an address which can be used by the CP, USA for a personal

cc: encl in 9040
②-Bureau (Enc. 4) (RM) **EX-103**
1-New York (100-134637) (Enc. 1) (Info) (RM)
1-Chicago

WAB:MDW
(4)

encl sent to Legal Mexico for info 2/14/68
REC 5 100-4 28091-6756
25 FEB 16 1968
5-10



CG 134-46 Sub B

contact with the CP of Mexico to discuss financial problems. VERDUGO stressed that this address could not be used by just anyone but rather should be used only by some personal representative, preferably CG 5824-S*, sent by GUS HALL, General Secretary, CP, USA. The address furnished by VERDUGO is the same as that previously furnished to the Bureau in 1965 with some minor changes in spelling. The address currently furnished is as follows:

XAVIER GUERRERO
Parque Melchor Ocampo 38-2
Mexico, D.F.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Washington, D. C.

February 5, 1968

~~CONFIDENTIAL~~

ARNOLDO MARTINEZ VERDUGO, FIRST
SECRETARY OF THE CENTRAL COMMITTEE,
COMMUNIST PARTY OF MEXICO

During December, 1967, a source, who has furnished reliable information in the past, furnished the following information:

During November, 1967, Arnolando Martinez Verdugo, First Secretary of the Central Committee, Communist Party of Mexico, was in Moscow, USSR, to attend the celebration being staged by the Communist Party of the Soviet Union on the 50th Anniversary of the Great October Revolution. In late November, 1967, Verdugo expressed his intention to remain in that country for another two months during which time he intended to write a book. Because the length of his stay was being extended, Verdugo was moved out of the hotel in which he had been staying and would spend the rest of his stay in a villa outside Moscow.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

~~CONFIDENTIAL~~

Group 1

excluded from automatic
downgrading and
declassification

100-428091-6756

DOUBLED F.B.I.

Date: 2/13/68

C00%

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 -IS-C

W. J. [unclear] (last)
Linton

On 2/13/68, there was received from the Soviets, via radio, a ciphered-partially coded message, the plain text of which was as follows:

"1. Please check Roosevelt Avenue drop on all days except weekends, holidays and radio days. Confirm reception all our signals same day by telephone. Don't touch our bottle covers, we remove them ourselves.

"2. We repeat your usage of Beck Shoe Store drop.

- A) In case we do not respond to your confirmation (by walky-talky or telephone) of our radio, you should use Beck Shoe Store drop as reserve signal on day following radio till 9 PM.
 B) In case we do not confirm your walky-talky signals for drops, micro-transceiver, etc., use Beck Shore Store drop on radio days.

"3. Please confirm"

(See NY airtel 2/7/68, p. 12 & 13)

Acknowledgment will be made this evening at 8:15 by walky-talky signal.

- 2-1-904
 3 - Bureau (RM)
 1 - Chicago (134-46-Sub B) (AM RM)
 1 - NY 134-91 (INV) (41)
 1 - NY 105-14931-Sub C (TALANOV) (341)
 1 - NY 100-134637 (41)

REC 39

100-428091-6757

6 FEB 19 1968

JFL:msb
 (8)

Approved: _____ Sent _____ M Per _____

9 8 FEB 21 1968 Special Agent in Charge

ROUTE IN ENVELOPE

Date: 2/16/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

12/ ReBuairtel 2/7/68 requesting the observations of the Chicago Office concerning the following facets of the Solo operation. The Bureau expressed concern over the minimal progress being made toward increasing the functioning parts of the Solo apparatus and contemplates but two alternatives: to develop the apparatus so that it can function with the demise of one or both of these informants; or to terminate the operations in order to capitalize on its exposure through publicity and/or testimony. R

The following observations are presented for the consideration of the Bureau in arriving at a decision in this matter. First of all, at the Solo conference held at SOG in 7/67, it was expressed by those present that the apparatus segment of the Solo operation was then totally dependent upon the operations of NY 694-S* who in his current state of health is actually unable physically to perform the varied tasks expected of him. However, and of prime importance in this consideration, the Russians are not aware of this. Nonetheless, it was also

1-904
③-Bureau (RM)

1-New York (100-134637) (Info) (RM)

1-Chicago

REC 29

100-428091-6758

WAB:MDW
(5)

-113

6 FEB 19 1968

Approved: _____

Sent _____ M Per _____

Special Agent in Charge

98 FEB 26 1968

CG 134-46 Sub B

agreed at the conference that a living, breathing apparatus must be constructed so that security precautions of the Russians would not expose the true status of NY 694-S* as an agent of the U.S. Thus the development of additional help for NY 694-S* and their acceptance by NY 694-S* was agreed to be of prime importance. Since the survival of the entire Solo operation is dependent upon the Solo apparatus, this of course highlights our dependence upon NY 694-S* whose health is now failing. Granted the validity of these premises, it does not follow that the Russians would be made cognizant of the extent of the functioning in the apparatus of these additional individuals being used in the Solo apparatus.

Implicit in this conclusion must be a recognition that adding to the functioning parts of the Solo apparatus (as viewed by the Russians) is not a function dependent solely upon actions of the FBI or of the informants. Before additions to the Solo apparatus are permitted to become "functioning parts," they must first be accepted by GUS HALL and then personally passed upon by the Russians themselves. Even then, we see little likelihood that the Russians will permit any individual to become a "functioning part" of the Solo apparatus so long as they have two trusted individuals like the Solo informants doing what they must consider an outstanding job for them. The Russians have repeatedly cautioned that the knowledge of this operation must be confined to only three individuals in the CP, USA: GUS HALL and the two Solo informants, NY 694-S* and CG 5824-S* have over the years implied to the Russians that they have provided for reserves in the event anything should happen to either one of them, but the first time the Russians had an idea that NY 694-S* was using one of his other men as a countersurveillance the Russians immediately ordered that that practice must be discontinued. They have repeatedly contended that the secrecy of this operation must be jealously guarded.

This office considers the progress of the New York Office in providing actual reserves for the Solo apparatus as more than minimal. It is our belief that the development of such informants as NY 4309-S [REDACTED] bodes well for their future use in the event of the total incapacitation of the New York Solo informant. It is granted that none of these informants can actually be considered as a replacement at this time for NY 694-S*, but no informant will be a replacement until such time as NY 694-S* ceases to function.

CG 134-46 Sub B

The discussion thus far has been limited to consideration of development of additional personnel to flesh out the apparatus part of Solo (that is, the operation revolving around NY 694-S*) to the exclusion of CG 5824-S*. It will be recalled that it was the decision of the Solo conference that from the standpoint of the FBI this operation would be henceforth pursued as an intelligence operation of the FBI and that any consideration of prosecutive possibilities would be purely secondary. As a matter of fact, it was this conclusion upon which was based the decision to permit the New York Office to discontinue the laborious recording of serial numbers of changed Solo money. The value of the international information developed by CG 5824-S* was clearly minimized, although great emphasis was also placed upon the value of CG 5824-S* as a high-level domestic informant. Value to the FBI derived from the Solo operation clearly reposed in the current penetration of KGB operations in the U.S. and the potential for greater penetration which could be derived through exploitation of the apparatus functions of this operation. This being true, the development of a high-level CP, USA functionary informant of the caliber of CG 5824-S* assumes a new light and will be treated separately and not in the context of the present discussion.

The alternatives presented in ReBuairtel are closely connected to a consideration of the above subject. The first alternative presented actually contains a number of additional alternatives, for we must consider what circumstances we will face with the demise of one or both of the current Solo informants. The first alternative would be the death of CG 5824-S*. In light of the fact that it was unanimously agreed at the Solo conference that the real value of Solo resides in the New York Solo apparatus, then the death of CG 5824-S*, while certainly the loss of a most valuable informant, is not also fatal to the Solo operation.

The second alternative, the death of NY 694-S*, is also dependent upon other circumstances: whether NY 4309-S, has been accepted by the Russians as a bona fide reserve or not. If one of these informants has been accepted, then the Solo apparatus will continue as before; if not, then CG 5824-S*, the nominal head of the apparatus (though this is not true in practice), will remain and will be in a position to either direct the choice of NY 694-S*'s successor or to control his successor.

b7D

CG 134-46 Sub B

Only under conditions of the third alternative, the death of both Solo informants (and the coincident factor that none of the New York informants has been accepted as a bona fide reserve) does the situation appear bleak. This is the situation which we are trying to avert and which the New York Office seems close to remedying with the development of the informants named above.

ReBuairtel requested specific consideration of the effect a request to testify would have on stimulating the informants' activities toward the development of additional personnel for the apparatus. It is the opinion of this office that such a request of CG 5824-S* could only have a most damaging effect. This informant is convinced that the Solo operation is an intelligence operation of paramount importance and value for which he has been willing to risk his life many times over. While we are exerting every effort to insure its continuance even after his death, he is convinced that we must milk it for all it is worth to the very end while continuing those efforts. To be sure, concern for his personal safety may also be a factor in his thinking on the subject of testimony in this matter. It has long been the position of this informant that he would be willing to testify only under the conditions of grave national danger of a nature which does not exist at this juncture. The informant is likely to consider such a request at this time as a threat rather than an actual need for testimony in the interests of national security. It can only be concluded under the conditions of the informant's present thinking that such a request would result in a curtailment of the cooperation which we seek from this informant.

The Chicago Office is continuing to bend every effort to accomplish the successful extension of this operation through the development of additional acceptable informants for this program. We are as intensely concerned as is the Bureau in retaining this highly successful operation. It is recognized and we are in agreement with the Bureau that in the past both these informants have been extremely conservative in their efforts to develop their eventual replacements. However, the Chicago Office feels that although both these informants have fallen victim to various illnesses in the past, none of these illnesses has been of a nature and severity as to convince them that it was terminal in nature. Recent occurrences within the informants' family, however, may

CG 134-46 Sub B

cause these informants to have second thoughts, and may have a beneficial effect upon their attitudes on this subject. As a result of the current extreme illness of [redacted] and the sudden death of the [redacted] of [redacted] we feel that CG 5824-S* may well be more favorably disposed toward more active assistance in the selection of possible reserves to be used as replacements for these informants in the event of their deaths. The Chicago Office will continue to press this program as vigorously as possible.

b7D

ROUTE IN ENVELOPE

2/19/68

airtel

- 1 - Mr. C. D. DeLoach
- 1 - Mr. W. C. Sullivan
- 1 - Mr. M. F. Row
- 1 - Mr. C. D. Brennan
- 1 - Mr. M. J. Rozamus
- 1 - Mr. R. C. Putnam

To: SAC, Chicago (134-46 Sub B)

From: Director, FBI (100-428001)

SOLO
INTERNAL SECURITY - C

Reurairtel 2/13/68.

If CG 5824-S* departs on Solo Mission 25 alone, you are authorized to advance up to \$759.00 for travel expenses. If informant is accompanied by CG 6653-S, you are authorized to advance up to \$1,200.98 for travel expenses.

In addition, if informant departs on the Mission, you are authorized to advance one month's payment for services and expenses. If departure on this Mission is from a location other than Chicago, Special Agent Walter A. Boyle, contacting Agent, is authorized to proceed to point of departure to assist informant in preparation for covert travel.

Submit itemized list of expenses when informant returns.

RCP:cst
(9)

REC 29

100-428001-6759

NOTE:

6 FEB 19 1968

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated February 16, 1968, same caption, prepared by RCP:cst.



Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

98 FEB 26 1968

TELETYPE UNIT

ROUTED FBI TELETYPE

Date: 2/16/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

19/ As a result of the receipt of the message from the Central Committee, CP of the Soviet Union (CPSU) to GUS HALL, General Secretary, CP, USA, transmitted through the Solo apparatus on 2/16/68, that information concerning the CPSU subsidy for the CP, USA for 1968 will be discussed with CG 5824-S* in Moscow, CG 5824-S* advised on 2/16/68 that he will depart for NYC on 2/17/68 to deliver this message to GUS HALL. At that time CG 5824-S* will discuss with HALL whether or not CG 5824-S* should embark on Solo Mission 25 to include a trip to Moscow, USSR, for the purpose of discussing the above subject.

The Bureau will be kept immediately advised of developments in this matter.

1-904
③-Bureau (RM)1-New York (100-134637)(Info)(RM)-113
1-Chicago

WAB:MDW

(5)

REC-13

100-428091-6760

4 FEB 20 1968

Approved: mg/ps

Special Agent in Charge

Sent _____

M

Per _____

98 FEB 23 1968

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *JWC*

FROM : S. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY - C

DATE: February 16, 1968

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 2/16/68, transmissions were heard by the Bureau's radio station at Midland at which time a message, NR 341 GR 38, was intercepted.

The plain text and cipher text are attached.

The New York Office is aware of the contents.

ACTION:

For information.

R

Enclosure

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS HS:ecb
(7)

REC-13

EX-113

4 FEB 20 1968

ENCLOSURE

98 FEB 26 1968

2/16/68

NR 0341 GR 038

02/16/68

25971 30155 91899 52383 74130 34848 56041 91257 86597 56874

91813 14586 53310 14765 04585 78010 25385 14140 33372 94918

64493 59179 69883 89379 26253 82151 21854 70300 64603 76928

14088 30141 13745 09614 20190 54038 76773 71720

NR 0341 GR 038

02/16/68

FOR IVY, THE QUESTION OF COLOUR^R PAINTS IS UNDER CONSIDERATION. WE WILL INFORM HUB ABOUT THE RESULTS DURING HIS ARRIVAL IN HOTEL. KIT - ABLE.

100-428091-6761

ENCLOSURE

ROUTE IN ENVELOPE

Date: 2/13/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

ReCGairtel 2/5/68, Buairtel 2/6/68, and CGairtel 2/13/68, all concerning the possibility that CG 5824-S* may have to depart on Solo Mission 25 to attend the Consultative Meeting of Communist and Workers Parties scheduled to commence 2/26/68 in Budapest, Hungary.

The Bureau will note that as of this time we are unable to determine with certainty whether or not CG 5824-S* will actually depart on this mission. However, in order to give the Bureau sufficient time to consider this request, set forth hereinafter is a request for an advance of funds for CG 5824-S* based upon the contingency that he does actually undertake this mission.

As noted in our previous communications, CG 5824-S* is not desirous of traveling to this meeting as a consequence of his own physical limitations and because of the recent hospitalization of [redacted] who is extremely ill. Nevertheless, as set out in reCGairtel 2/5/68, circumstances may be such as to make it desirable that he undertake this mission. The Bureau will recall that up until now the CP of the Soviet Union has not communicated to the CP, USA the amount of the CP of the Soviet Union subsidy for the support of the CP, USA for the year 1968. GUS HALL, General Secretary, CP, USA, has become quite impatient over this delay and may very well demand that CG 5824-S* travel not only to Budapest but also to either Prague or Moscow to obtain the answer to

1-904
③-Bureau (RM)
1-New York (100-134637) (Info) (RM)
1-Chicago

WAB:MDW

(5)

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

98 FEB 26 1968

FEB 20 1968

CG 134-46 Sub B

this question. In order to preserve the usefulness of the Solo apparatus to HALL, CG 5824-S* may be required to make this trip. Furthermore, regardless of the necessity of obtaining the answer to the question raised above, we are well aware of the unreasonable demands that HALL on occasion makes of these informants, and it may occur that HALL will demand the informant's presence in Budapest even if the above answer has already been received. In such an event, in order to maintain the close relationship and position of complete trust which HALL reposes in the Solo informants, it would appear to our benefit to accede to HALL's demands and authorize CG 5824-S* to undertake this mission.

It is also noted that GUS HALL has informed the CP of the Soviet Union and the Hungarian Socialist Workers Party that he will be accompanied by his wife, ELIZABETH HALL. We have seen in the past that ELIZABETH HALL, when traveling, has requested and almost demanded that CG 6653-S accompany her on such a trip. In view of the personal acquaintance of CG 6653-S with many of the leading personalities of the world communist movement and the fact that she is willing to act as almost a personal "lady-in-waiting" for the wife of the General Secretary of the CP, USA, ELIZABETH HALL is most anxious that CG 6653-S accompany her. It is not known at this time whether ELIZABETH HALL will make such a demand on this occasion, especially in view of the illness of [REDACTED] (although the HALLs are not aware of its seriousness), nor whether the informants will accede to this demand, but provision is made for this eventuality in the itemized request set forth below.

b7D

In the event CG 5824-S* and perhaps CG 6653-S embark upon Solo Mission 25, the following expenses will be entailed:

| | <u>CG 5824-S* alone</u> | <u>CG 5824-S* and CG 6653-S</u> |
|--|-------------------------|-------------------------------------|
| Round trip first class air fare between Chicago and Boston | \$ 127.79 | \$ 255.58 |
| Round trip first class air fare between Boston and Prague | 834.70 | 1,669.40 |

CG 134-46 Sup B

| | <u>CG 5824-S* alone</u> | <u>CG 5824-S* and CG 6653-S</u> |
|---|-------------------------|-------------------------------------|
| Round trip first class air fare between Prague and Budapest | \$ 100.40 | \$ 200.80 |
| New clothing and luggage not previously used on Solo Missions and without cleaning and laundry marks | 150.00 | 200.00 |
| Expenses in Western Europe enroute and return, including hotel, meals, tips, transit taxes, etc. | <u>200.00</u> | <u>250.00</u> |
| | \$1,412.89 | \$2,575.78 |
| Less round trip tourist air fare between New York and Budapest which will be paid from Solo Funds and which is the maximum CG 5824-S* can reclaim from Solo Funds | <u>\$ 652.90</u> | <u>\$1,305.80</u> |
| | \$ 759.99 | \$1,269.98 |

Therefore, in the event CG 5824-S* is instructed by GUS HALL to undertake Solo Mission 25, the Bureau is requested to authorize an advance of funds to CG 5824-S* for the expenses of this travel in the amount of \$759.99. In the event he must be accompanied by CG 6653-S, the Bureau is requested to authorize an advance of funds for the expenses of this travel in the amount of \$1,269.98.

In addition, since CG 5824-S*, if he takes this trip, would be departing sometime prior to 2/25/68, the Bureau is requested to authorize advance payment for services and expenses to CG 5824-S* through 3/15/68 by which time he should certainly have returned. This would entail an advance of one month's payment

CG 134-46 Sub B

amounting to \$1,500. This advance payment is requested inasmuch as although CG 5824-S* would be out of the country during this time, the normal expenses for him and his wife would continue.

The Bureau is requested to give this request expeditious attention since travel arrangements may have to be made, if this travel materializes, by 2/20/68.

In the event CG 5824-S* departs on Solo Mission 25 from a location other than Chicago, Bureau authority is requested for SA WALTER A. BOYLE, contacting agent, to proceed to the point of departure. The presence of SA BOYLE is necessary in order to handle any last minute items of information which the informant may obtain and in order to thoroughly prepare the informant for covert travel, including checking the informant completely for suit labels, unconcealed documents, identifying data, etc.

In the event CG 5824-S* must travel to NYC for last minute consultations with GUS HALL just prior to departure on this mission, the anticipated point of departure would be Boston, Mass., in which event the following would be the expenses entailed in the travel of SA BOYLE:

| | |
|--|--------------|
| Round trip coach air fare between Chicago and Boston | \$101.70 |
| Estimated ground transportation at Chicago and Boston | 10.00 |
| Per diem for maximum of two days at \$16 per day | <u>32.00</u> |
| Total | \$143.70 |

ROUTED FBI

Date: 2/13/68

COPIE

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

ReCGairtel 2/5/68 concerning the possibility that CG 5824-S* may attend the Consultative Meeting of Communist and Workers Parties scheduled to begin on 2/26/68 at Budapest, Hungary. Reairtel also referred to a recent lack of enthusiasm on the part of GUS HALL, General Secretary of the CP, USA, on the subject of his attending this meeting. HALL had stated his intention to defer his departure until at least 2/20/68.

On 2/12/68 CG 5824-S* advised that on 2/6/68 he had met with HALL in NYC and New Haven, Connecticut, and HALL had stated that his plans now call for his departure for Budapest on 2/22/68. As of that date, he was still attempting to obtain airline tickets for that date.

By CGlet 2/2/68 the Bureau was informed that CG 5824-S* had received a request to obtain a quantity of medicine needed by the wife of NIKOLAI V. MOSTOVETS, Head of the North and South American Section, International Department, Central Committee, CP of the Soviet Union. On 2/12/68 CG 5824-S* advised that he had raised

1-904
③-Bureau (RM)
1-New York (100-134637) (Info) (RM)
1-Chicago

WAB:MDW

(5)

REC 13

100-428091-6763

E-115

4 FEB 20 1968

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

98 FEB 26 1968

CG 134-46 Sub B

with HALL the question of who should carry this medicine to the USSR. HALL stated that neither he nor his wife wanted to carry this medicine out of the country. Therefore, it was decided that this medicine, Cedilanid, should be carried by DAN RUBIN, CP, USA Organization Secretary, who is expected to go to the USSR for medical treatment after attending the Budapest meeting.

During these discussions, HALL again asked the informant whether the informant would make the trip to Budapest. CG 5824-S* replied that his status remained as previously reported. HALL stated that since he would not be departing himself until 2/22/68, he would expect to see CG 5824-S* in NYC about 2/19/68 at which time they should try to make a definite decision on this matter.

ROUTE IN ENVELOPE

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan *WCS*

FROM : C. D. Brennan *CB*

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: February 12, 1968

1 - Mr. R. C. Putnam

DeLoach
DeLoach ☒
Mohr ☐
Bishop ☐
Casper ☐
Callahan ☐
Conrad ☐
Felt ☐
Gale ☐
Rosen ☐
Sullivan ☐
Tavel ☐
Trotter ☐
Tele. Room ☐
Holmes ☐
Gandy ☐

My memorandum of 1/9/68 set forth, in detail, an accounting of funds received by the Communist Party, USA (CPUSA), from the Soviet Union and Red China for December, 1967. The following is an accounting of these funds for January, 1968.

TOTAL FUNDS RECEIVED AND DISBURSED 9/58 TO 12/31/67

| | |
|---|----------------|
| Total received from the Soviet Union..... | \$5,236,538.09 |
| Total received from Red China (all on 2/10/60)..... | 50,000.00 |
| Total received 9/58 to 12/31/67..... | 5,286,538.09 |
| Total disbursed 9/58 to 12/31/67..... | 4,115,267.04 |
| Total Available..... | \$1,171,271.05 |

DISBURSEMENTS DURING JANUARY, 1968

All disbursements made on specific instructions of Gus Hall, General Secretary, Communist Party, USA.

| | |
|--|-------------|
| 1/2/68 - To Gus Hall for personal expenses..... | \$ 1,640.00 |
| 1/3/68 - To Helen Winter for CPUSA national expenses during 1968..... | 150,000.00 |
| 1/4/68 - To Gus Hall for CPUSA National Office expenses..... | 12,500.00 |
| 1/29/68 - Reimbursements to CG 5824-S* for out-of-pocket expenses to Gus Hall for personal expenses..... | \$1,147.00 |

100-428091

RCP:cst
(5)

CONTINUED - OVER

98 FEB 26 1968

FEB 20 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

| | |
|------------------------------------|----------------------|
| Gifts ordered by | |
| Hall..... | <u>39.60</u> |
| | 1,186.60 |
| Total disbursed January, 1968..... | \$ <u>165,326.60</u> |
| Balance of Fund 1/31/68..... | \$1,005,944.45 |
| In Chicago..... | \$ 138,000.13 |
| In New York..... | <u>867,944.32</u> |
| | \$1,005,944.45 |

ACTION:

None. This memorandum is submitted for your information. An up-to-date accounting of Party funds received from the Soviets will be brought to your attention each month. Details of the accounting of these funds are not to be disseminated.

JH

Wings

P

✓

JS

MS

ROUTE IN ENVELOPE

SAC, New York (100-134637)

2/23/68

Director, FBI (100-426001)

1 - Mr. R. C. Putnam

SOLO

INTERNAL SECURITY - C

ReBuairtel 2/7/68, Chicago airtel 2/16/68, and New York airtels 2/16 and 19/68 relating to the difficulties involved in increasing the functioning parts of the Solo apparatus.

It is readily acknowledged that the insertion of additional personnel into the apparatus is not the prerogative of the FBI alone. However, we must utilize every possible means to prepare established informants, reactivate discontinued informants, or develop new informants for use in the operation. These individuals must be on stand-by for insertion into the operation at the most suitable moment. We cannot afford to relax in this endeavor.

New York airtel of 2/19/68 on page two, paragraph two, sets forth the situation we should be striving for, that is where NY 604-S* can "mastermind" the operation while not actually participating in every phase of it. Therefore, it is essential that "legmen" be developed for him at the earliest possible moment consistent with the security of the operation. There are numerous tasks he must perform which can be done by someone else. Such steps as the checking for bottlecaps and the like are matters which fall into this category.

If New York's analysis of the informants' current attitude is correct, that is that they are willing to welcome assistance, we must provide that assistance. The fact that this action will entail dedicated, concentrated efforts on the part of recipient offices is obvious. In the past several months, we have accomplished more along this line than we have done in many years, but it is not enough. The only way to achieve the desired results is by hard work. It is imperative that these results be achieved.

2 - Chicago (134-46 Sub B)

RCP:est
(6)

MAILED 9
FEB 21 1968
COMM-FBI

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TELETYPE UNIT ☐

FEB 23 1968 SEE NOTE PAGE TWO.

98 FEB 27 1968

Letter to SAC, New York
RE: SOLO
100-428091

New York noted that the Soviets are the main obstacle to the attaining of our goal. The Bureau agrees that it will be necessary to change Soviet thinking with regard to the need for replacements. However, it appears that at this stage we should be thinking of assistants rather than replacements. In this regard, New York and Chicago should submit concrete proposals as to how this can be accomplished without jeopardizing the security of the operation within two weeks of the date of this communication.

New York airtel of 2/16/68 indicated that a review of active and formerly active informant files was being made to find those with the best potential to be utilized in the laundry proposed by the Soviets as a potential drop. Since CG 5824-S* has been instructed to work through Irving Potash, it will be necessary to condition Potash's thinking to make our selections palatable to him. In reporting the results of this survey, New York should include its comments and observations as to how this can be accomplished. There should be no delay in the submission of this material.

New York and Chicago should also submit their observations with regard to the financing of the laundry. Since the laundry is being established on the instructions of the Soviets, New York and Chicago should advise the extent to which it is believed Solo funds could be used to pay one of our informants to operate it.

The last paragraph of page two and the last paragraph of page three of re Chicago airtel include [redacted] as a possible addition to the operation. Since this informant was discontinued in 1965 when he [redacted] it is assumed Chicago was referring to [redacted] Bureau copies have been corrected. New York and Chicago should correct their copies.

b7D

NOTE:

In view of the delicate physical condition of both NY 694-S* and CG 5824-S*, there is an urgent need to further develop the apparatus so that it could function if either one or both should pass on.

~~CONFIDENTIAL~~

1 - Liaison
1 - Mr. R. C. Putnam

EX-110

157 000

100-12191-6766

BY LIAISON

Date: February 20, 1968

To: Director
Bureau of Intelligence and Research
Department of State

From: John Edgar Hoover, Director

Subject: FBI MEMORANDA CONCERNING CPSU POSITION PAPERS

Reference is made to your memorandum dated February 2, 1968, captioned as above, which requested additional information regarding eight position papers distributed by the Communist Party of the Soviet Union at the celebration of the 50th Anniversary of the "Great October Revolution" held during November, 1967, in Moscow, Union of Soviet Socialist Republics. My letter of February 6, 1968, stated that sources of this Bureau were being contacted in regard to the questions raised in your memorandum.

It has been determined that the Central Committee of the Communist Party of the Soviet Union prepared eleven documents or position papers which were distributed to all visiting delegations of communist parties present at the celebration of the 50th Anniversary of the "Great October Revolution." These documents were reported to have been prepared in the language of the particular delegation receiving them. Eight of these documents have been furnished to you, as noted in your memorandum. Copies of the other three documents are not available. However, it is possible to furnish you the titles of these documents, which are as follows:

1. "Splitting Activities of the Communist Party of China Leadership in International Democratic Organizations"

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

100-428091

RCP:cst
(5)

~~CONFIDENTIAL~~

Excluded from automatic
downgrading and
declassification

SEE NOTE PAGE TWO.

98 FEB 20 1968

TELETYPE UNIT ☐

~~CONFIDENTIAL~~

Director
Bureau of Intelligence and Research
Department of State

2. "Situation in Albania and Policy of the Albanian Communist Party Leadership"
3. "Fraternal Parties About Karlovy Vary Conference," with a supplement entitled, "Statements of Fraternal Parties by Their Leading Functionaries at the Karlovy Vary Conference and the Contribution of the Karlovy Vary Conference to the Struggle for Peace"

The three documents mentioned above have been described as containing recapitulations of information which appeared in numerous publications of the Communist Party of the Soviet Union.

NOTE:

Classified "~~Confidential~~" since unauthorized disclosure of this information could reveal the identity of the source (CG 5824-S*) who is of continuing value and such revelation could result in damage to the national defense.

By liaison, State requested additional information regarding particular position papers which were previously disseminated to them. The answers to their questions are set forth above as developed by CG 5824-S* on Solo Mission 24.

Data extracted from Chicago airtel 2/13/68, captioned "Solo, IS - C."

~~CONFIDENTIAL~~

ROUTED FBI

Date: 2/13/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

ReBuairtel 2/6/68 with attached CIA memo dated 2/2/68 entitled, "FBI Memoranda Concerning CPSU Position Papers."

Enclosed herewith for the Bureau are the original and three copies of a letterhead memorandum entitled, "FBI Memoranda Concerning CPSU Position Papers."

The information set forth in the enclosed letterhead memorandum was orally furnished by CG 5824-S* on 2/12/68 to SAs WALTER A. BOYLE and ROBERT A. VILLEMURE.

CG 5824-S* advised he could not say definitely which visiting delegations of Communist and Workers Parties received the documents but from past experience would have to assume that they were given to all the visiting Parties in the languages of those Parties.

The enclosed letterhead memorandum has been classified "~~CONFIDENTIAL~~" since unauthorized disclosure of the information set forth therein could reasonably result in the identification of this source who is

1-904, 9 + 2 + 1 enc. EX-110
 ③-Bureau (Enc. 4) (RM) 100-428091-6766
 1-Chicago ENCLOSURE

RAV:MDW

(4)

Approved: _____

Special Agent in Charge

Sent _____

M

Per _____

1-904, 9 + 2 + 1 enc.
 ③-Bureau (Enc. 4) (RM)
 1-Chicago
 2/12/68

5-8

CG 134-46 Sub B

furnishing information on the highest levels concerning the international communist movement, thus adversely affecting the national security.

In order to further protect the identity of this source, the enclosed letterhead memorandum has been shown as being prepared at Washington, D. C.



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Washington, D. C.
February 13, 1968

In Reply, Please Refer to
File No.

~~CONFIDENTIAL~~

FBI MEMORANDA CONCERNING CPSU POSITION PAPERS

In February, 1968, a source, who has furnished reliable information in the past, advised that the Central Committee of the Communist Party of the Soviet Union (CPSU) prepared eleven documents or position papers and distributed these documents, considered highly confidential, to all visiting delegations of Communist and Workers Parties to the celebration of the 50th Anniversary of the October Revolution held in Moscow, USSR, during November, 1967.

Source did not observe the documents being furnished to each delegation but is of the firm opinion that the documents furnished to the visiting delegations were in the languages of those delegations.

The contents of three of the eleven documents distributed to the various delegations observed by the source, but not made available to him, are entitled as follows:

- 1) "Splitting Activities of the Communist Party of China Leadership in International Democratic Organizations"
- 2) "Situation in Albania and Policy of The Albanian Communist Party Leadership"
- 3) "Fraternal Parties About Karlovy Vary Conference," with a supplement entitled, "Statements of Fraternal Parties by Their Leading Functionaries at the Karlovy Vary Conference and The Contribution of the Karlovy Vary Conference to the Struggle for Peace"

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

~~CONFIDENTIAL~~

~~Group 1
excluded from automatic
downgrading and
declassification~~

100-428091-6766

ENCLOSURE

FBI MEMORANDA CONCERNING CPSU POSITION PAPERS

~~CONFIDENTIAL~~

Source also advised that the information contained in the documents listed above has been set out many times before by the CPSU and has appeared in public print.

~~CONFIDENTIAL~~

ROUTE IN ENVELOPE

F B I

Date: 2/16/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI (100-428091)
 FROM: SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

ReBuairtel to New York dated 2/7/68, cc Chicago, particularly that part thereof reflecting the necessity of the Bureau's completely controlling the personnel of the laundry or gift shop to be utilized as a drop or cut-out for the transfer of funds from the Soviets to the CPUSA.

As the Bureau is aware, CG 5824-S*, as a result of conferences in Moscow regarding the establishment of a laundry or gift shop, and pursuant to instructions from GUS HALL, assigned IRVING POTASH, a highly trusted CPUSA functionary, to find a proper person to operate the proposed laundry or gift shop. As has been known to the Bureau, New York and Chicago, POTASH, over a lengthy period, has been seeking to make contact with [redacted] with a view to having [redacted] operate the contemplated business. In this regard, no objection previously has been made to this procedure.

CG 5824-S* and NY 694-S* are super-sensitive to real or imaginary security hazards. They always feel that to recommend to the Party or the Soviets anyone hand-picked by the Bureau could be a boomerang should the person subsequently be exposed as an informant. The NYO in the past has conducted exhaustive surveys to choose informants whom CG 5824-S* or NY 694-S* might recommend to the Party and the Soviets, but, for various reasons, these informants were not approved by CG 5824-S* and NY 694-S*.

- 1 - 424, 919
 3 - Bureau (100-428091) (RM)
 1 - Chicago (134-46-SUB B) (AM RM)
 1 - New York (100-134637-SUB C) (REPLACEMENT AND NEUTRALIZATION) (41)
 1 - New York (100-134637) (41)

ACB:gmd
 (7)

FEB 23 1968

Approved: _____

Sent _____ M

Per _____

98 FEB 23 1968

Special Agent in Charge

NY 100-134637

So far as the NYO analyzes the situation, by reason of GUS HALL's instructions, CG 5824-S* was committed (and still is committed) to utilize POTASH for the purpose of choosing personnel for the laundry or gift shop. The NYO further was of the opinion--and still is as a result of the conference with CG 5824-S* when he was in New York a few days ago--that there would be no loss of control of this laundry or gift shop operation by reason of its being managed by Party-chosen personnel.

When this subject of control was discussed with CG 5824-S* subsequently to receipt of the reBuairtel, he stated that the Soviet intention is that the laundry be merely a cut-out to insure the security of the SOLO operation, and that the personnel (in his opinion, only one individual) is to make deliveries only to him or NY 694-S*.

The Soviets, he said, are most concerned lest anyone other than he, HALL, or NY 694-S* become aware of the transfer of money by the Soviets to the CPUSA. In view of these facts, CG 5824-S* feels that he and NY 694-S*, and hence the Bureau, will continue to control the situation, despite the fact that a Party-chosen individual might operate the business.

CG 5824-S* was informed that we require complete control of the laundry personnel--to the extent that the operator of the laundry must be of our choosing. CG 5824-S* pointed out that he cannot arbitrarily disregard HALL's instructions with respect to how the laundry operator should be chosen. He said that to circumvent HALL's instructions, he would have to find adequate reason why any individual approved by the Party should not operate the laundry. The possibility exists, he said, that even the Party may not be able to choose an individual acceptable to the Soviets.

To comply with instructions that a means be found to insure that the contemplated laundry will be completely controlled by the Bureau, the NYO currently is reviewing the background of all active and formerly active security informants, in order to find those with the best potential. Reports concerning this review will be submitted pursuant to Bureau instructions.

~~TOP SECRET~~
~~NO FORN DISSEMINATION~~

ROUTED IN ENVELOPE

Date: 2/19/68

Transmit the following ~~NO DISSEM ABROAD~~

(Type in plaintext or code)

Via AIRTEL

REGISTERED

(Priority)

TO : DIRECTOR, FBI (100-428091)
FROM : SAC, NEW YORK (100-134637)
SUBJECT: SOLO
IS-C

CD BCD
R. B. Johnson
Jk

ReBuairtel, 2/7/68, copy to Chicago, particularly in reference to page two thereof, which reflects concern about the minimal progress being made toward increasing the functioning parts of the SOLO apparatus, the past lack of cooperation on the part of CG 5824-S* and NY 694-S* in their development of replacements for them, the alternatives existing by virtue of this situation, and the possibility of stimulating the informants' activity toward the development of additional personnel for this apparatus by suggesting that they testify in connection with an expose of the SOLO operation.

The NYO will address itself first to what it believes to be the least argumentative of the above-stated issues--namely, the current attitude of the informants with respect to the activation of replacements. As of July 1967, when this matter was discussed by the NYO, Chicago and the Bureau, it was conceded that the attitude of the informants was inimical toward the activation of replacements, the reason therefor being either their being loathe to surrender exclusive control of the apparatus for egotistical reasons, or, possibly, for security reasons.

This attitude, however, during the past six months has been reversed. The informants, who, in their own way, are shrewd individuals, have had to face reality. In addition to his chronic ailments, NY 694-S* is suffering from the results

- ③ - Bureau (RM)
- 1 - Chicago (134-46-Sub B) (AM RM)
- 1 - NY 134-91 (INV) (CI) REC 48
- 1 - NY 100-134637 (41)

ACB:msb
(7)

~~TOP SECRET~~

~~NO FORN DISSEMINATION~~

~~NO DISSEM ABROAD~~

Approved: *JFM*

Special Agent in Charge

Sent

FEB 23 1968

Classified by

Exempt from GDS, Category 2, 3
Date of Declassification Indefinite

98 FEB 23 1968

10/15/76

*0-77 to NY & CA to classify NY airtel [unclear] 7/10/76
Dissem abroad. (0-79 Classified confidential by 3347 exempt cat. 2, 3)
10/19/76*

~~TOP SECRET~~

~~NO FOREIGN DISSEMINATION~~

~~NO DISSEM ABROAD~~

of an automobile accident, which, until he is fully recovered, will impair the use of one of his legs. He realizes the physical strains that he must endure in performing many of the tasks incident to his operation. Both informants realize that advancing age will not make the physical requirements of their operations less onerous.

Both informants, in conversations with Agents of the NYO, have indicated that they now would welcome any assistance they could receive in their operations, and are more than anxious that potential replacements be activated. This leads to the question whether a request to testify would stimulate the informants' activities toward the development of additional personnel for the apparatus. In the light of the foregoing, with respect to their current attitude, to inject at this time the issue of a request to testify is, in the opinion of the NYO, tantamount to "carrying coals to Newcastle." To hold over their heads now the "sword of Damocles" to stimulate their further developing replacements is, in the opinion of the NYO, presently unnecessary and also potentially catastrophic from the standpoint of achieving our objectives.

Over the years, these informants have been assured that only in the event of what might be a national crisis would they be called upon to testify. They have indicated from the beginning of this operation that they do not wish to testify. They feel, egotistically perhaps, that the SOLO operation is of such paramount importance to the national security, that, in the absence of a national crisis, to surface it would be unthinkable. They both think in terms of this operation's continuing beyond the day when they personally will no longer be actively part of it. NY 694-S*, on occasion, has expressed the desire to continue to "master-mind" the SOLO operation even though his physical ailments eventually might preclude his active participation in all phases of it.

To suggest surfacing the SOLO operation conceivably could result in our antagonizing the informants to the point where we should have on our hands hostile witnesses. Even with the informants as friendly witnesses, to surface this operation would present tremendous obstacles, as the Bureau has noted.

~~TOP SECRET~~

~~NO FOREIGN DISSEMINATION~~

-2-

~~NO DISSEM ABROAD~~

NY 100-134637

~~NO DISSEM ABROAD~~

From the standpoint, therefore, of raising the issue of testimony with a view to stimulating the informants' activities toward the development of additional personnel for the apparatus, the issue, in the opinion of the NYO, is at this time academic.

The heart of the problem is the matter of further activating the replacements that we have. We have been prone to hold the informants responsible for failure to activate these individuals, but, actually, they, as well as we, are on the horns of a dilemma. The real obstacle is the Soviets, who as yet do not want activation of replacements to the degree where such replacements may become privy to the essentials of the SOLO operation. The Soviets repeatedly have stressed the point that to extend the number of individuals cognizant of the SOLO operation constitutes a definite threat to the Soviet operation. To date, they adamantly oppose extending the inner circle of the SOLO operation beyond GUS HALL, CG 5824-S* and NY 694-S*. When CG 5824-S* was last in Moscow, the Soviet "spy-master"--MIKHAIL POLONIK--vehemently objected when he received the impression that NY 4309-S* was active in SOLO operations not specifically authorized by the Soviets.

As a condition precedent to NY 4309-S*'s further activation beyond receiving Soviet ciphered radio messages, the Soviets are demanding that he go to Moscow for training for approximately three months. Even if he should go, this does not necessarily mean that, while CG 5824-S* and NY 694-S* remain active in this operation, NY 4309-S* would be activated in the full sense of the word, that is, that he would be authorized to handle money operations, and be given the key to codes and ciphers.

From the Soviet intelligence standpoint, their attitude is logical: When one of two people sharing a secret divulges it to a third person, it no longer is a secret. What therefore is our position in this matter? To borrow a simile from baseball language, we are like a farm-team manager with excellent players, who will go to the major league team not when the farm-team manager is disposed to send them there, but rather when the major league team manager decides to summon them. If the farm-team manager is sufficiently convincing, he

~~TOP SECRET~~
~~NO FOREIGN DISSEMINATION~~

NY 100-134637

~~NO DISSEM ABROAD~~

might be able to persuade the major league team manager of the immediate necessity of activating a farm-team player.

The crux of the problem, therefore, would seem to be that through the informants we must change the Soviet thinking with respect to the immediate need of completely activating our replacements. Perhaps the time is opportune to do this, in that NY 694-S*'s recent accident well might have resulted in his death, as a result of which there could have been a serious breakdown in the SOLO apparatus. CG 5824-S*'s scheduled visit to Moscow within the next few days might present the opportunity for him to "sell" this idea to the Soviets.

A particularly disturbing situation with respect to the activation of NY 4309-S* is his continued reluctance to go to Moscow pursuant to Soviet instructions. During a conference with NYO Agents on 2/15/68, he expressed willingness to be activated in ~~his~~ facets of the SOLO operation, except that he stated that he did not want to go behind the iron curtain. His paramount objection ostensibly is fear for his personal safety. There still remains in his mind the fact that his father, who had gone to the Soviet Union many years ago, ~~and~~ never returned, and also the suspicion that the Soviet report of recent years that his father had died a natural death is not true.

He feels that NY 694-S*, and the Soviets, have a definite need for his services, particularly now, when, by reason of illness, NY 694-S* is limited in his activities. He expressed the opinion that whatever further training or indoctrination he might need could be given to him in the USA-- if his services are essential to the Soviet operations.

He is also concerned about his financial future, in that complete activation in our operation might require his abandoning his present position, which guarantees him a comfortable livelihood and future social security benefits. Without becoming specific, the NYO has indicated to him that he would suffer no financial loss as a result of his complete activation in our operation.

~~TOP SECRET~~
~~NO FOREIGN DISSEMINATION~~
~~NO DISSEM ABROAD~~

~~TOP SECRET~~

NY 100-134637

~~NY 100-134637~~

NY 4309-S* on 2/16/68 telephonically contacted the NYO and stated that he would like to further discuss this matter in the presence of his [redacted] It was agreed that such a conference be held in the immediate future.

b7D

~~TOP SECRET~~

F B I

Date: 2/16/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED
(Priority)

TO : DIRECTOR, FBI (100-428091)
 FROM : SAC, NEW YORK (100-134637)
 SUBJECT: SOLO
 IS-C

On 2/16/68, there was received from the Soviets,
 via radio, a ciphered-partially coded message, the plain
 text of which was as follows:

"For GUS HALL

"The question of money is under consideration.
 We will inform CG 5824-S* about the results upon his arrival
 in Moscow.

"CCCPSU"

(See NY airtel 2/7/68, p. 2)

- 1-904 940
- 3 - Bureau (RM)
 - 1 - Chicago (134-46-Sub B) (AM RM)
 - 1 - NY 134-91 (INV) (CI)
 - 1 - NY 66-6989 (INV) (CI)
 - 1 - NY 100-134637 (41)

JFL:msb
 (8)

11 FEB 21 1968

Approved: _____

Sent _____

M

Per _____

98 FEB 20 1968

Special Agent in Charge

ROUTE IN ENVELOPE

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. M. F. Row

DATE: February 16, 1968

1 - Mr. C. D. Brennan
1 - Mr. M. J. Rozamus
1 - Mr. R. C. Putnam

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Solo is the code word used to refer to the liaison operation performed by our informants between the Communist Party, USA, and other communist parties of the world.

PURPOSE:

This memorandum sets forth recommendations for our Chicago Office to advance sufficient funds to CG 5824-S* to enable him to travel on Solo Mission 25.

BACKGROUND:

You will recall that Gus Hall, General Secretary, Communist Party, USA, advised the Soviets that CG 5824-S* would be an ex officio member of the Party's delegation to the international communist conference to be held in Budapest, Hungary, 2/29/68. This is a meeting of tremendous importance to the international communist movement, for it is here that the Soviets plan to make preparations for a subsequent meeting which will force Red China out of the international communist movement. As far as we know, CG 5824-S* is the only source of the United States who will attend this meeting.

Since the Soviets have not yet set the subsidy to be paid the Communist Party, USA, in 1968, Hall wants the informant to go abroad to get a firm commitment at this time. Today, the Soviets advised Hall that the answer on the subsidy will be given our informant when he arrives in Budapest. If the source does not travel as ordered, the usefulness of the Solo Operation to Hall is in jeopardy. This could cause him to dispense with it. Although reluctant to travel abroad again because of personal physical limitations and the serious illness (cancer) of his [redacted] who operates the cover company in the Operation, CG 5824-S* recognizes that circumstances are such that he must go. Since Hall's wife will

Enclosure

100-428091

RCP:cst (7)

CONTINUED - OVER

FEB 21 1968

98 MAR 4 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

accompany him to the meeting in Budapest, we can expect that, as in the past, she will demand that CG 6653-S (CG 5824-S*'s wife) accompany her as a "lady in waiting."

While exact details are to be determined at a conference between Hall and the informant on 2/19/68, the informant will have to depart prior to 2/25/68. Therefore, as in the past, Chicago has requested the Bureau's authority to advance funds for travel expenses to the informant. In view of the time element and the uncertainty of final arrangements, the requests are in alternatives as set out below.

If the informant travels alone, authority is requested for \$759.99. If the informant is ordered to take his wife, authority is requested for an advance of \$1,269.98. This is half of the actual cost involved in both cases.* Chicago also requests authority to advance one month's payment for services and expenses to the informant prior to departure. *(Party funds will cover the other half.)

If the informant departs from a location other than Chicago, Chicago requested, and we concur, that Special Agent Walter A. Boyle, contacting Agent, proceed to the point of departure to handle last minute items of intelligence informant may develop and to thoroughly prepare informant for covert travel.

OBSERVATION:

If this Operation is to continue, these expenses are essential. Attached is an airtel to Chicago authorizing expenses to be advanced, depending upon the circumstances. An itemized list of expenses will be submitted upon the informant's return.

RECOMMENDATION:

That the attached airtel be approved and sent.

MB
WEL

GC
WEL

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *Downing*

DATE: February 20, 1968

FROM : *S. F. Downing*

SUBJECT: SOLO
INTERNAL SECURITY - C

7: Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 2/20/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

PWP
PWP:ccb
(7)

REC-5

100-428091-6771

6 FEB 26 1968

REC-6

SR

98 FEB 28 1968

Domestic Intelligence Division

INFORMATIVE NOTE

SUMMARY

Date 2/21/68

You have been previously advised CG 5824-S*, our Solo informant, would soon depart on 25th Solo mission. Purpose of mission is to attend Conference of International Communist Movement at Budapest, Hungary, which is of great significance as Soviets hope to use this conference to prepare for a subsequent conference designed to force Red China out of the International Communist Movement.

The attached confirms the departure of CG 5824-S*.

JFM:rwf

WCS/wn
CBP

100-428091-6772

VIA TELETYPE
FEB 21 1968
ENCIPHERED

| | |
|--------------|---|
| Mr. Tolson | ✓ |
| Mr. DeLoach | ✓ |
| Mr. Mohr | |
| Mr. Bishop | |
| Mr. Casper | |
| Mr. Callahan | |
| Mr. Conrad | |
| Mr. Felt | |
| Mr. Gale | |
| Mr. Rosen | |
| Mr. Sullivan | ✓ |
| Mr. Tavel | |
| Mr. Trotter | |
| Tele. Room | |
| Miss Holmes | |
| Miss Gandy | |

---15---

FBI NEW YORK

11-51 PM URGENT 2-21-68 JVD

TO DIRECTOR (100-428091) (CODE)

ATT-DOMESTIC INTELLIGENCE DIVISION

FROM NEW YORK (100-134637) 1 PAGE

SOLO, IS-C.

RE CHICAGO TEL, FEBRUARY TWENTY, SIXTYEIGHT.

CHICAGO FIVE EIGHT TWO FOUR-S ASTERISK DEPARTED
NYC ON SOLO MISSION TWENTYFIVE TEN PM THIS DATE.

AIRMAIL COPY FURNISHED TO CHICAGO.

END

WA...RM FBI WASH DC

13 14 AND 15 TKS

GLS FTB 215/9m REC-75

ST. 114

100-428091-6772

6 FEB 27 1968

98 MAR 4 1968

2/20/68

Airtel

1 - Mr. R. C. Putnam
1 - Mr. Rozamus

To: SAC, Chicago [redacted]

From: Director, FBI [redacted]

HIGH LEVEL INFORMANT DEVELOPMENT
CP, USA

Reurairtel dated 2/14/68.

The arrangement for the meeting on 2/5/68 between former PSI [redacted] and Jack Kling, State Secretary of the Communist Party (CP) of Illinois, is noteworthy. Additional contacts appear to have potential for development of [redacted] as a high level security informant.

Authority is granted to arrange further contacts by [redacted] with Kling. Afford [redacted] careful guidance. This should be based on a long-range plan to not only develop [redacted] as a high level informant but to possibly bring him into the Solo operation.

Keep Bureau promptly advised of all pertinent developments concerning [redacted] contacts with Kling.

[redacted]
100-428091 (Solo)

MJR:sss
(7)

DUPLICATE YELLOW

100-428091-
NOT
FEB 27 1968

NOTE: [redacted] was utilized as a PSI from April, 1962, through August, 1964, having discontinued his activities due to personal business needs. As a PSI he became closely associated with Kling. Bureau letter of 12/20/67 authorized Chicago Office to arrange a meeting between [redacted] and Kling for the purpose of ascertaining Kling's current thinking and attitude relative to CP matters.

Referenced airtel reports that the meeting was held on 2/5/68. Kling furnished [redacted] considerable information indicating that he is a staunch CP member who has made and is willing to make considerable sacrifices for the Party. In addition he furnished much background information. Kling offered to furnish [redacted] who anticipates making a trip to Israel in the latter part of this month, the name of a contact in Israel who is a CP

57 FEB 29 1968

ORIGINAL FILED IN

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b7C
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b7C
b7D

b7D

Airtel to SAC, Chicago
RE: HIGH LEVEL INFORMANT DEVELOPMENT
Bufile: [REDACTED]

NOTE CONTINUED:

leader. By separate communication Chicago has requested authority to reactivate [REDACTED] Up-to-date Bureau files search is being made and Chicago will be advised.

b6
b7C
b7D

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. Conrad *JWC*

DATE: February 27, 1968

FROM : C. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY-C

*R. B. [unclear]
C. J. [unclear]*

715
Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 2/27/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attention: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

REC-23

100-428091-6773

RL
HS:cspeop
(7)
[Signature] *W*

6 FEB 29 1968

5-10

98 MAR 4 1968

DIRECTOR, FBI (100-425942)

2/23/68

SAC, NEW YORK [REDACTED] (ADM)

[REDACTED]

ReNYlet, 10/18/67.

1. Recommendation

It is recommended that authority to pay [REDACTED] be continued in the amounts up to \$300.00 a month for services and \$75.00 for expenses for a four month period effective, 3/1/68.

2. Residence and Employment

[REDACTED] Yorktown Heights, New York, and is [REDACTED] New York City, holding the position of [REDACTED]

3. Current Membership In Organizations

[REDACTED] is presently a member-at-large of the Communist Party (CP) and paying CP dues in the [REDACTED] of the CP and the [REDACTED] of the CP.

4. Summary of Information Furnished During Pertinent Period

[REDACTED] continues to make himself available to NY 694-S* and has been advised by NY 694-S*, to "hold tight and keep low" and that he, NY 694-S*, would determine what [REDACTED] could do in the future.

(3) - Bureau (RM)
(1 - 100-428091) (SOLO)
1 - New York

NOT RECORDED
FEB 27 1968

55 MAR 7 1968

APPROVED
Date FEB 29 1968

100-425942-89

[redacted]

Informant also attends and reports of meetings of the [redacted] of the CP.

b7D

[redacted] presently attends meetings of the [redacted] of the CP and has submitted reports on same.

5. Amounts Paid For Services

| <u>Date</u> | <u>Expenses</u> | <u>Services</u> |
|----------------|-----------------|-----------------|
| October, 1967 | ----- | \$250.00 |
| November, 1967 | \$10.00 | \$250.00 |
| December, 1967 | \$5.00 | \$250.00 |
| January, 1968 | \$15.00 | \$250.00 |

6. Type and Number of Meetings Attended and Other Activities

[redacted] has [redacted] of the [redacted] of the CP and reported on same.

b7D

7. Number of Reports Submitted

[redacted] has submitted nine written reports.

b7D

8. Information Furnished of Unusual Value

Informant continues to report on the [redacted]

b7D

[redacted]

[redacted] of the CP. During this period, informant has become a [redacted] of the CP, and is reporting on same.

b7D

9. Approximate Number Of
Persons On Whom Informant
Furnished Information

Informant furnished information on about 35 people.

10. Steps Being Taken To
Advance Informant

[redacted] continues to be available to NY 694-S* and continues to be in contact with LEM HARRIS to obtain information regarding his activities.

It should be noted that [redacted] is the [redacted] [redacted] of the CP, which is [redacted] clandestinely for security reasons. [redacted] continues to be encouraged to [redacted] of the [redacted] of the CP, at his residence, and continues to be in contact with LEM HARRIS to obtain information regarding his activities.

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During this period [redacted] has been encouraged to make himself available to the CP group in [redacted]

[REDACTED]

b7D

11. Stability and Reliability

During contacts with [REDACTED] nothing has come to the attention of contacting agents indicating instability or unreliability or that informant would be a source of embarrassment to the Bureau.

12. Indoctrination Against Disclosure

Every opportunity has been taken to properly indoctrinate this informant against making any disclosure of his relationship with the Bureau by any means whatsoever.

13. Action On Information Furnished

Appropriate action has been taken on all information furnished by this informant.

14. Miscellaneous

None.

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (65-65405)

DATE: FEB 23 1968

FROM : SAC, NEW YORK (65-17696)

SUBJECT: TRAMUS
ESP - R
(OO:NY)

On 1/3/68, [redacted] who has furnished reliable information in the past, advised that on 12/11/67, a Soviet representative of the USSR to UN paid \$4,821.83 to the [redacted] for an airmail payment to the N.V. Shanenburg's Bank, Rotterdam, Netherlands, for the [redacted]

It is to be noted that of the above currency \$4,770.00 was recorded consisting of 5 \$100.00 notes, 11 \$50.00 notes, 146 \$20.00 notes and 80 \$10.00 notes.

When the above money was compared against the list of money known to have been issued to the Soviets in NY and Washington, D.C., no identification was effected.

When this money was compared against the Index of CP and Soviet bloc espionage money maintained in captioned case, the following was noted:

The asterisk denotes money paid by the Soviet
[redacted] tive of the USSR to the UN to the [redacted]
[redacted] on 12/11/67, for airmail payment.

- 3 - Bureau (RM) (100-428091) (SOLO)
- 1 - New York (65-6315) (RUSSIAN FUNDS)
- 1 - New York [redacted] (INV)
- 1 - New York (100-134637A) (SOLO)
- 1 - New York

GAP:dld
(7)

NOT RECORDED

47 FEB 26 1968



66 MAR 1 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

65-65405-2120
b7D
b7E
b7E
ORIGINAL FILED IN

NY 65-17696

Denomination \$50.00

1950 Series

Serial Number

Recovered By

Date Recovered

B 09197089 A

*

B 09197143 A

CP

6/23/65

Demonination \$20.00

1950D Series

B 91084949 C

*

B 91084998 C

CP

5/20/67

b7E

It is noted that one \$50.00 and one \$20.00 note paid to [redacted] by the Soviet representative of the USSR to the UN on 12/11/67 for the [redacted]

[redacted] was in close numerical sequence with a \$50.00 note paid to CP, USA by the Soviets on 6/23/65, and with a \$20.00 note paid to CP, USA on 5/20/67.

NYO believes that this may indicate that the \$50.00 note B09197089A, 1950 series and \$20.00 note B91084949C, 1950D series was included in shipments sent from Moscow by courier for CP, USA payment, however, these particular notes were designated for other clandestine intelligence payments.

As the Bureau is aware information available is that money used by the Soviets, in clandestine intelligence payments, is obtained by courier from Moscow.

NYO believes that the Bureau may desire to advise CIA about the above transaction involving the use of money in an airmail payment for the [redacted]

[redacted] being in close numerical sequence with money furnished to the CP, USA, by the Soviets.

NYO indices contains no identifiable references on either N.V. Shenenburg's Bank, Rotterdam, Netherlands, or the [redacted]

Information concerning comparison against the Index is not to be set forth in report form or dissemination memorandum without Bureau authority.

REC-23 1-3

UNITED STATES GOVERNMENT

Memorandum

ROUTE IN ENVELOPE

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

DATE: 2/26/68

Re previous communications to the Bureau relating to efforts of CG 5824-S* and NY 694-S* to establish a laundry or other small business for use in the transfer of funds from the Communist Party of the Soviet Union (CPSU) to the Communist Party, USA (CP, USA).

On February 21, 1968, CG 5824-S* advised that he had met for an hour and a half in New York City on February 19, 1968, with IRVING POTASH who has been attempting to obtain a trusted individual to operate the laundry on behalf of the CP, USA. POTASH advised that he had located [redacted] but it suddenly occurred to him that [redacted] had begun to look quite old. Nevertheless, POTASH thought that [redacted] could handle the job since he presently holds a part-time job and travels to this job in New Jersey several times a week by bus. In this manner, [redacted] earns a few dollars beyond his Social Security or pension. [redacted] is also suited for this job because at one time he had run a small business and therefore has some experience in running a small shop. Furthermore, [redacted] owns a house which he is about to sell and therefore he will have an excuse for the source of the funds used in the purchase of this business.

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b7C

According to POTASH, [redacted] has been detached from active Party work for approximately 19 years. When he was in the Party, he was working primarily in the Fur Workers Union. [redacted] is the father of MAY WILLIAMSON who is married to JOHN WILLIAMSON, who is now a leading member of the CP of Great Britain.

b6
b7C

(2)-Bureau (RM)
1-New York (100-134637) (Info) (RM)
1-Chicago

REC-23

100-428091-6774

FEB 29 1968

WAB:MDW

(4)



98 MAR 4 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

POTASH stated that [] indicated that he is willing to take on this task for the CP, USA. However, he had asked POTASH if this job would be dangerous. POTASH told him he did not think so, but he was not sure and then challenged him by asking whether or not [] was afraid of a little danger in doing a job for the Party. [] indicated he was not afraid and that he would be willing to do this job. POTASH actually was unable to tell [] more because POTASH, himself, did not know more. Therefore, POTASH asked CG 5824-S* if the job would be dangerous and if the FBI or some other intelligence agency would be on to []

b6
b7C

[] CG 5824-S* replied that the Party hoped that the FBI would not be on to this store, but he would give no guarantees. POTASH then asked CG 5824-S* if someone would be coming into this shop to pick up mail or bundles. CG 5824-S* replied that this was possible although it would not happen too often.

CG 5824-S* instructed POTASH to go back to [] and get more details concerning his past activities. He told POTASH he would see POTASH again in a few weeks and obtain these additional details. CG 5824-S* told POTASH that he did not want to run into something unexpected; for example, POTASH said that [] was out of the Party for 19 years, but CG 5824-S* wanted to make sure that [] had not been active in the recent past. POTASH also asked if CG 5824-S* would object if POTASH found someone else in case CG 5824-S* might think [] is too old, although POTASH does not think so. CG 5824-S* indicated he had no objection to POTASH trying to locate someone else. POTASH stated that one cannot trust the young people for such a task because no one really knows them yet. Such people as [] may be quite old but at least people in the Party know them.

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b7C

CG 5824-S* stated that the end result of this discussion was that POTASH will again seek out [] to get more details after which CG 5824-S* will speak to POTASH when the informant returns from the current Solo Mission. According to CG 5824-S*, one of those whom POTASH is currently considering as a possible alternative to [] is the mother of BERNICE DISKIN (wife of LOU DISKIN, CP of Illinois functionary) who lives in New York City. She is approximately 65 years of age and she is known to GUS HALL through his acquaintance with BERNICE.

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CG 5824-S* will follow this matter upon his return from the current Solo Mission and keep us currently apprised of progress in this respect.

CG 134-46 Sub B

A review of CGfiles discloses that the mother of BERNICE DISKIN is KATHERINE BLOHM, nee Kilian, who was born in Germany, June 9, 1885.

In view of the fact that BLOHM is nearly 83 years of age, it is doubtful that BLOHM could be utilized in any fashion in connection with this program.

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

DATE: 2/26/68

On February 20-21, 1968, CG 5824-S* furnished the following information concerning discussions with GUS HALL relative to the current Solo Mission:

GUS HALL instructed CG 5824-S* that while on this mission he should contact individuals in charge of finances at the "World Marxist Review" in Prague, Czechoslovakia. According to HALL, the magazine owes the CP, USA just under \$4,000 for the mailing of the "World Marxist Review" in the U.S. during 1967. The cost of this mailing is \$325 a month and this has been increased by \$50 per month because of the rise in postage rates.

HALL stated that he, himself, would leave the U.S. on February 28, 1968, en route to Amsterdam, The Netherlands. He would spend just a couple of hours in Amsterdam before leaving for Budapest, Hungary, where he would attend the Consultative Meeting of Communist and Workers Parties scheduled to begin February 26, 1968. Upon his arrival in Budapest, HALL would inform the Party there that CG 5824-S* would follow soon behind him and would furnish them the name under which the informant is traveling.

HALL then complained about the treatment he and the other members of the CP, USA delegation to Budapest had been received from the Hungarians at their UN Mission in New York City. HALL had sent JOE BRANDT to the UN Mission to pick up visas for the delegation. Instead of complying immediately, the Hungarians had sent BRANDT back to get photographs of the delegates and gave him long forms to be filled out "just like a bunch of tourists." The Hungarian

2-Bureau (RM)

REC-20

1-New York (100-134637) (Info) (RM)
1-Chicago

WAB:MDW

(4)



98 MAR 11 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

at the Mission had complained to BRANDT about the fact that HALL never comes to the UN Mission himself but sends a messenger instead. HALL said that he sent back word that he did not intend to go to the Mission because of the way they treat CP, USA members he has sent there and because of the number of defectors they have had from Hungarian establishments in the U.S. HALL stated that if the Hungarians want to see him, they can come to see him at his office.

HALL stated further that he wanted CG 5824-S* to be aware of a discovery which he had made but which he had earlier told only to HENRY WINSTON. When HALL had collected the passports to send to the Hungarian UN Mission for visas, he had leafed through the passport belonging to JIM JACKSON. He was surprised to see in JACKSON's passport a visa and entry and exit stamps for Argentina. (HALL did not give the dates.) HALL stated that he and WINSTON believe JACKSON went to Argentina to see MARIA (LNU) who had attended the CP, USA Convention in June, 1966, along with PABLO NERUDA, the Chilean poet. This woman is also a member of the Chilean Parliament. HALL stated he was "flabbergasted," and JACKSON's activities have worried HALL a great deal.

HALL then inquired concerning the outcome of promises made to the CPs of Panama and Haiti that the CP, USA would furnish them with financial assistance. CG 5824-S* informed HALL that nothing had been done about it. HENRY WINSTON had made these promises and HALL had been furnished notes on this subject by CG 5824-S*. HALL indicated he would therefore take some funds with him in order to give about \$500 to the Haitians and a sufficient amount to the Panamanians for them to purchase a couple of mimeograph machines.

HALL also stated that ARNOLD JOHNSON had not yet completed his task of gathering information concerning the individuals working on a number of left or progressive publications which had been previously requested by the CP of the Soviet Union. HALL stated that he expected JOHNSON to complete this task shortly and that he, himself, would bring these "biographies" with him to Budapest to furnish to the CP of the Soviet Union delegates.

F B I

ROUTE IN ENVELOPE

Date: 2/27/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

On 2/26/68 there were received at the LYDIA WHITE drop address, 25 E. Washington St., Chicago, Ill., two letters from CG 5824-S*, both of which were mailed from Orly Airport, Paris, France. The texts of these letters are set forth below.

The first note was dated Thursday, 2/22/68, 4:00 p.m. The text was as follows:

"How are you? It is raining in Paris all day and no let up. This is a good time to just do nothing.

"Tomorrow I will continue the tour and I hope, do some business at the same time.

"This is not much of a letter is it? But it proves the writer is alive. With all my best to ill [redacted] and my love to you."

1-904, 905
③-Bureau (RM) ST 1121
1-New York (100-134637) (Info) (RM)
1-Chicago
WAB:MDW
(5)

REC-20 100-428091-6776

Approved: _____ Sent _____ M Per _____

98 MAR 11 1968

Special Agent in Charge

CG 134-46 Sub B

The second note was dated Friday, 2/23/68. The text was as follows:

"Should be on my way soon--if the rain stops and some fog (sic). I'm keeping my promise to write--yes?

"Hope you are OK and the family getting along."

BEST COPY AVAILABLE

Director, FBI (105-57306)

February 27, 1968

Legat, Mexico City (105-370) (P)

ARNOLDO MARTINEZ VERDEGO
INTERNAL SECURITY - MEXICO

Re Bureau routing slip 2-14-68 and LHM dated 2-5-68
at Washington, DC, captioned ARNOLDO MARTINEZ VERDEGO, FIRST
SECRETARY OF THE CENTRAL COMMITTEE, COMMUNIST PARTY OF MEXICO.

The Bureau is respectfully requested to furnish
cover pages relating to referenced LHM.

(Solo)

4 - Bureau
 (1 - 100-428091)
 (1 - Liaison Section)
2 - Mexico City
LJM:ccc
(6)

100-428091-
100-428091-142

MAR 1 1968

ORIGINAL FILED IN

ROUTE IN ENVELOPE

F B I

Date: 2/27/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

ReNYairtel 2/7/68.

On 2/21/68 CG 5824-S* furnished the following information:

By reNYairtel the Bureau was furnished the text of a message from the Communist Party, USA (CP, USA) to the Communist Party of the Soviet Union (CPSU) in which it was requested that DANIEL RUBIN, Organization Secretary of the CP, USA, be invited to the USSR for medical treatment following his attendance at the Consultative Meeting of Communist and Workers Parties in Budapest, Hungary. GUS HALL, General Secretary, CP, USA, advised CG 5824-S* that he had received an answer from the CPSU inviting RUBIN as requested.

ReNYairtel also furnished the text of a message from the CP, USA to the CPSU concerning the recommendation of the CP, USA (in response to a previous request from the CPSU) that [redacted] now in Cuba, would make a capable Marxist-Leninist stylist and translator. HALL advised CG 5824-S* that he had received an answer from the CPSU in which it was agreed that [redacted] should come to the USSR to work in the above capacity. HALL did not indicate whether [redacted] would be so informed by the CPSU or the CP, USA, nor how [redacted] would get from Cuba to the USSR.

1-904, 9+2

③-Bureau (RM)

1-New York (100-134637) (Info) (RM)

1-Chicago

WAB:MDW

(5)

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

98 MAR 11 1968

CG 134-46 Sub B

Concerning the manner in which these answers were received, HALL stated that these messages were entrusted to CARL WINTER, Editor of "The Worker," by the Soviets. CG 5824-S* surmised that either WINTER went to see the Russians at Tass or the UN Mission or the Russians from either of these establishments came to see WINTER at "The Worker." HALL expressed some anger at WINTER because, upon receiving these messages, WINTER had gone directly to RUBIN with the invitations instead of delivering them to HALL. It was HALL's opinion that WINTER did this in order to show off the good contacts he has.

CG 5824-S* expressed no alarm that another channel had been used to deliver these messages. According to CG 5824-S*, the Russians are carrying through on their mandate that only the most confidential and urgent matters are to be handled through the Solo apparatus. Such matters as the invitations to RUBIN and [redacted] whose travel to the USSR will become public knowledge eventually, does not fall within the category of secret and urgent matters. Therefore, the Russians chose a more open or legal manner of communicating with the CP, USA.

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UNITED STATES GOVERNMENT

ROUTE 10 ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

DATE: 3/1/68

ReCGlet dated January 31, 1968, regarding efforts to locate suitable replacements and/or assistants for Solo informants.

PSI [redacted] met with [redacted]
[redacted] CP of Illinois, on February 5, 1968, in accordance with Bureau authority and under the guidance of experienced Agents of the Chicago Office.

During this meeting, [redacted] advised [redacted] of his pending trip to Israel. [redacted] at this meeting freely discussed his present and past Party activities, his health and family.

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[redacted] reported that in his discussion with [redacted] he expressed his respect for [redacted] dedication and willingness to make sacrifices for the CP because it was obvious that he could have done very well in the business world.

[redacted] replied that he was converted to the CP in 1928 and is convinced now, as then, that communism holds the answers to the world's problems. During their discussion, [redacted] was able to get [redacted] to attempt to get a letter of introduction for him to use while he was in Israel.

b6
b7C
b7D

[redacted] evaluated [redacted] thinking and attitude towards Party matters, as a result of the discussion at their meeting, by stating he is firmly convinced that [redacted] is completely dedicated to the cause of communism.

2-Bureau (RM)
1-New York (100-134637) (Info) (RM)
1-Chicago

RAV:MDW
(4)

100-428091-6778
MAR 13 1968
MAR 6 1968



98 MAR 11 1968 Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

CG 134-46 Sub B

On February 20, 1968, [] received a letter of introduction from [] to MEIR VILNER, General Secretary, CP of Israel (pro-Arab). This letter was on CP, USA stationery signed by HYMAN LUMER, Educational Director, CP, USA.

On February 25, 1968, [] departed on a pleasure trip to Israel with plans to return on March 6, 1968. [] was given careful guidance for his contact with MEIR VILNER in Israel and for future contacts with []

[] will continue his contacts with [] based on a long range plan to develop him as a high level informant and as a possible participant in the Solo operation. Success in this endeavor appears very possible as [] has shown complete confidence in []

It has been determined from CG 5824-S* and [] that [] is presently in [] due to his diabetes, infected prostate gland, and the sloppy surgery performed on him last summer during the removal of a []. Therefore, no immediate action is contemplated toward []. However, [] will be guided and directed by experienced Chicago Agents in subsequent contacts with [] in order to enhance chances of his acceptance in the Solo operation in some manner.

CG 5824-S* has advised that [] stated that the fellow in the [] in Chicago [] is barely making a living and [] did not appear to look favorably on this []. This source also advised that GUS HALL, General Secretary, CP, USA, has stated that in the event Party funds are invested in a business, the Party will want to control this business. [] has advised that he will not allow control of this business to be taken from him which presents a very unfavorable outlook in this direction. However, this does not preclude the fact that he could be inserted in the Solo operation at some future date because he also has the confidence of []. Through further guidance and direction by experienced Chicago Agents, [] may also enhance his chances of acceptance into the Solo operation in some form.

[] advised on February 29, 1968, that he was contacted on February 28, 1968, by [] at which time [] advised him that [] would contact him sometime in the near future concerning the resume of his [] that he had previously been asked to prepare.

CG 134-46 Sub B

Chicago's efforts to locate suitable replacements and/or assistants for the Solo informants will be vigorously pursued and the Bureau will be kept advised.

UNITED STATES GOVERNMENT

Memorandum ROUTE IN ENVELOPE

TO : Mr. Conrad *we*

DATE: March 4, 1968

FROM : C. F. Downing

SUBJECT: SOLO
INTERNAL SECURITY - C

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

Captioned case involves the Bureau's highly valuable confidential informant NY 694-S* who has been receiving communications transmitted to him by radio.

On 3/4/68, transmissions were heard by the Bureau's radio station at Midland at scheduled times and frequencies but no messages were transmitted.

ACTION:

For information.

EX-110
REC 13

100-428091-6779

6 MAR 6 1968

- 1 - Mr. Conrad
- 2 - Mr. Sullivan (Attn.: Mr. J. A. Sizoo, Mr. R. C. Putnam)
- 1 - Mr. Downing
- 1 - Mr. Newpher
- 1 - Mr. Paddock

HS:ccb
(7)

98 MAR 11 1968

ROUTE IN ENVELOPE

SAC, New York (100-134637)

3/5/68

Director, FBI (100-423091)

1 - Mr. R. C. Putnam

SOLO

INTERNAL SECURITY - C

(REPLACEMENT AND NEUTRALIZATION PROGRAM)

ReNYairtel 2/23/68 which advised that NY 4309-S* has agreed to travel to the Soviet Union for necessary training which could enable him to assume some of the duties of NY 694-S*.

This is an excellent example of the type of progress which we should be making in this program. The New York Office should feel a sense of pride for its achievement in overcoming the numerous obstacles which kept us from this goal in the past.

Within the past month, our move to add additional personnel to the Solo Operation has assumed some momentum. The utilization of PSI [redacted] in a third-party approach to [redacted] by the Chicago Office was an opportune step which may reap additional benefits.

For the information of New York, [redacted] was a PSI from 1962-64. He was discontinued because of business commitments. During this period, he was closely associated with [redacted]. His contact with [redacted] on 2/5/68 was noteworthy. [redacted] conversed freely with him. Since [redacted] was traveling to Israel, [redacted] offered to furnish him a letter of introduction to the head of the Communist Party of Israel. Subsequently, [redacted] received such a letter on Communist Party, USA, stationery addressed to Meir Vilner, General Secretary, Communist Party of Israel, which was signed by Hyman Lumer.

The problem now confronting us is to determine how we can shortcut the numerous steps involved in promoting [redacted] as a legman for CG 5824-S*. Chicago should advise under this caption what actions are contemplated to bring about this result.

2 - Chicago (134-46 Sub B)

RCP:cst
(6)

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____

98 MAR 11 1968

TELETYPE UNIT ☐

Letter to SAC, New York
RE: SOLO
100-428091

The above-mentioned items show the results of imaginative endeavors by both New York and Chicago. The Bureau is closely following these developments and it is expected that both offices will develop additional cases along these lines.

ROUTE IN ENVELOPE

F B I

Date: 2/28/68

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI (100-428091)

FROM: SAC, NEW YORK (100-134637)

SUBJECT: SOLO
IS-C
(REPLACEMENT AND NEUTRALIZATION PROGRAM)

This is to advise the Bureau that NY 4309-S* agreed on 2/27/68, to travel to Russia to fulfill commitments designated by NY 694-S*.

The NYO has previously advised that NY 4309-S* had been interviewed on 2/15/68, to determine his willingness to travel to Russia as part of the Solo apparatus. It was deemed necessary to obtain a commitment from NY 4309-S* to this effect before we could consider informant as a replacement for NY 694-S*. At the 2/15/68 interview, informant expressed definite fears of his life if he should go behind the Iron Curtain. During the interview, we attempted to dispel these fears and an agreement was reached that at least he should keep his mind open to acceptance.

On 2/16/68, NY 4309-S* contacted the NYO and stated he would appreciate having another meeting when his [redacted] would be present.

- 100-428091-6780
- 3 - Bureau (100-428091) (RM)
 - 1 - Chicago (134-46-SUB B) (AMRM)
 - 1 - New York [redacted] (41)
 - 1 - New York [redacted] (41)
 - 1 - New York (100-134637-SUB C) (41)
 - 1 - New York (100-134637) (41)

JJK:gmd
(8)

cc Sullivan

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

b7D

NY 100-134637

On 2/27/68, NY 4309-S* and [redacted] were interviewed and we outlined our program for the future of NY 4309-S* which included a trip to Russia for training should NY 694-S* again request this. NY 4309-S* may now be described as enthusiastic in the acceptance of this awesome responsibility and challenge. [redacted] is less receptive (amid fears and tears) but agreeable, feeling that it is the choice of NY 4309-S*, and will interpose no objection.

b7D

b7D

NY 4309-S* and [redacted] are scheduled to make a European tour in June, 1968. They have their schedule prepared, friends and relatives in Europe alerted to their visit. Therefore, NY 4309-S* cannot at this time make an extended trip to Russia but will be able to break away for about three days to go into Russia. In January, February or March, 1969, he will be able to leave his employ for a period of up to two or three weeks to go to Russia should the occasion arise.

No specific promises or commitments were made to the informants for their time and effort. We did however generally commit ourselves to the point that if NY 4309-S* were to become a full time employee of the Solo apparatus, he would not suffer any financial loss.

[redacted] During the course of meetings with NY 4309-S* and [redacted] both expressed an intense dislike for NY 604-S*. However, both felt CG 5824-S* was a gentleman. [redacted] stated she and NY 4309-S* had visited NY 694-S* and family late last Summer. During this visit, NY 694-S* was crude and rude towards his wife and children. They both hoped that any future assignment would not place them in a position where they would have to be social companions of NY 694-S*.

b7D

On 2/28/68, NY 694-S* contacted the NYO and was advised that we had met with NY 4309-S* and [redacted] however, we had not met with a great deal of success, yet we continue to be hopeful.

b7D

NY 100-134637

NY 694-S* was instructed to stay away from NY 4309-S* for at least two weeks while we worked on him some more as we are still hopeful to persuade informant to agree to a trip. It is felt that NY 4309-S* is better off not to be approached by NY 694-S* within such a short period of time of our interview and in fact with the return of CG 5824-S*, we may have a more plausible reason for future contact.

A detailed summary of the interviews will be submitted to the Bureau shortly.

ROUTE IN ENVELOPE

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

1 - Mr. C. D. Brennan
1 - Mr. W. G. Shaw

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

TO : Mr. C. D. Brennan *WGS*

DATE: March 6, 1968

FROM : W. G. Shaw *WGS*

SUBJECT: SOLO
INTERNAL SECURITY - C

5. Shaw

This memorandum outlines the material developed during Solo Missions 23 and 24 and will assist in locating pertinent data within the Solo file.

Solo Mission 23

| <u>Description of Information</u> | <u>Airtel</u> | <u>Serial</u> |
|---|---------------|---------------|
| BACHURIN, A. (Soviet writer) | 5/1/67 | 6232* |
| CASTRO, FIDEL (Relations with Soviets) | 4/21/67 | 6208 |
| COMMUNIST PARTIES (Meeting in Czechoslovakia) | 4/21/67 | 6209 |
| COMMUNIST PARTY, USA (May Day Delegation) | 4/26/67 | 6217 |
| CUBA (Relations with USSR) | 4/21/67 | 6208 |
| CZECHOSLOVAKIA (Relations with Chinese) | 4/27/67 | 6221 |
| FONER, PHILIP (CPUSA member) | 4/27/67 | 6220 |
| FRANTSOV, G. P. (World Marxist Review) | 4/27/67 | 6221 |
| FRYBERT, VACLAV (Czech official) | 4/27/67 | 6221 |
| GRETCHUKIN, ALEXEI (Soviet official) | 4/26/67 | 6217 |
| HIGHLIGHTS OF SOLO 23 | 4/20/67 | 6207 |
| JACKSON, JAMES (Discussed with Soviets) | 4/26/67 | 6216 |
| KAZAKOV, VLADIMIR (Soviet official) | 5/1/67 | 6723* |
| [REDACTED] (CPUSA member) | 4/27/67 | 6221 |
| KOPIA, FRANTICEK (Czech official) | 4/27/67 | 6221 |
| KUSKOV, E. (Soviet official) | 4/26/67 | 6217 |
| LANNON, AL (CPUSA member) | 4/26/67 | 6217 |
| MEXICO (CP of) | 4/26/67 | 6216 |
| MIKHAILOV, IGOR (Soviet official) | 4/26/67 | 6217 |
| MINTZ, ITSAM (Soviet official) | 4/27/67 | 6217 |
| NORTH VIETNAM (Suggested route) | 4/27/67 | 6220 |
| [REDACTED] (CPUSA member) | 4/27/67 | 6221 |
| PEACE DEMONSTRATIONS IN UNITED STATES | 4/26/67 | 6217 |
| PEARLMAN, MOLLY (Employed by WMR) | 4/27/67 | 6221 |

YMS

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b7D

100-428091

EX-110

REC 6 100-428091-6781

WGS:cst (3)

CONTINUED - OVER

ENC 2 133

98 MAR 25 1968

Memorandum to Mr. C. D. Brennan
 RE: SOLO
 100-428091

| <u>Description of Information</u> | <u>Airtel</u> | <u>Serial</u> |
|--------------------------------------|---------------|---------------|
| SOCIALIST UNITY PARTY OF GERMANY | 4/21/67 | 6207 |
| SOLO (celebration of 694's birthday) | 4/27/67 | 6220 |
| SOLO (Apparatus discussion) | 4/21/67 | 6205 |
| | 4/24/67 | 6236 |
| | 4/26/67 | 6215 |
| TIMOFEEV, TIMUR (Soviet official) | 4/27/67 | 6220 |
| VLADIMIR (Soviet security official) | 4/21/67 | 6205 |
| VOLKOV, A. (Soviet writer) | 5/1/67 | 6223* |
| YARIS, HARRY (Moscow correspondent) | 4/26/67 | 6217 |

* * * * *

Solo Mission 24

| | | |
|--|----------|-------|
| ARABATOV, YURI (U. S. Study Institute) | 12/8/67 | 6627 |
| ARGENTINA (CP of) | 12/20/67 | 6666 |
| BAGDACHE, KHALID (CP of Syria) | 12/11/67 | 6630 |
| BOYD, JOHN (Canadian WMR official) | 12/11/67 | 6631 |
| BURTAN, VALENTINE (CDUSA member) | 12/19/67 | 6656 |
| [REDACTED] | 12/18/67 | 6654 |
| CANTOR, FRIEDA (U. S. citizen) | 1/9/68 | 6703 |
| [REDACTED] (Living in England) | 12/19/67 | 6658 |
| CHINA (Splitting activities) | 12/8/67 | 6641 |
| COMMUNIST PARTIES (Intern. meet) | 12/7/67 | 6623 |
| COMMUNIST PARTY, USA (Meet with Viet Cong) | 12/19/67 | 6657 |
| COMMUNIST PARTY, USA (Funds from Soviets) | 1/3/68 | 6687* |
| COMMUNIST PARTY, USA (Financial subsidy) | 1/4/68 | 6688* |
| CUBA (CP of) | 12/18/67 | 6649 |
| ESCALANTE, ANIBAL (CP of Cuba) | 12/18/67 | 6644 |
| [REDACTED] | 12/18/67 | 6651 |
| HIGHLIGHTS OF SOLO 24 | 12/5/67 | 6625* |
| INDIA (CP of) | 1/9/68 | 6696 |
| INDONESIA (CP of) | 12/15/67 | 6645 |
| INSTITUTE OF INTERNATIONAL LABOR DEVEL. | 12/11/67 | 6632 |
| ISRAEL (CP of) | 12/15/67 | 6647 |
| JACKSON, JAMES | 12/12/67 | 6639 |
| JOHNSON, BEATRICE SISKIND | 12/19/67 | 6655 |
| LE CHANG (Vietnamese official) | 12/12/67 | 6636 |
| MEXICO (CP of) | 2/5/68 | 6698* |

b6
 b7C

Memorandum to Mr. C. D. Brennan
RE: SOLO
100-428091

| <u>Description of Information</u> | <u>Airtel</u> | <u>Serial</u> |
|---|---------------|---------------|
| NAUMOV, PAVEL (Editor, WMR) | 12/11/67 | 6631 |
| PANAMA (CP of) | 12/26/67 | 6671 |
| PESHANSKY, VALENTINE (WMR official) | 12/11/67 | 6631 |
| POLONIK, MIKHAIL (Soviet security official) | 12/8/67 | 6628 |
| PORTUGAL (CP of) | 12/22/67 | 6660 |
| RACIAL SITUATION IN THE UNITED STATES | 12/22/67 | 6660 |
| SMID, JAMES (Funds in Soviet Union) | 12/18/67 | 6650 |
| SOUTH AFRICA (CP of) | 12/21/67 | 6661 |
| SOVIET UNION (50th Anniversary of Revolution) | 12/8/67 | 6626 |
| | 12/18/67 | 6652 |
| SOVIET UNION (Assist. Nat. Liber. Movement) | 1/4/68 | 6656 |
| SOVIET UNION (Possible visitors to U.S.) | 12/19/67 | 6659 |
| SOVIET UNION (Relations with Latin Am.) | 12/18/67 | 6653 |
| SOVIET UNION (position re Israel) | 12/26/67 | 6670 |
| SOVIET-CHINESE RELATIONS | 12/12/67 | 6637 |
| SOLO APPARATUS | 12/8/67 | 6628 |
| SYRIA (CP of) | 12/11/67 | 6630 |
| UNITED STATES STUDY INSTITUTE (Moscow) | 12/8/67 | 6627 |
| VERDUGO, ARNOLDO (CP of Mexico) | 2/5/68 | 6698* |
| VILNER, MEIR (CP of Israel) | 12/15/67 | 6647 |
| VIETNAM | 12/12/67 | 6636 |
| VIETNAM (Soviet aid) | 12/18/67 | 6648 |
| WORLD MARXIST REVIEW | 12/11/67 | 6631 |
| YARIS, HARRY (Moscow correspondent - CPUSA) | 1/10/68 | 6697 |

ACTION:

File for record purposes.

P

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub F)

SUBJECT: SOLO
IS-C

DATE: 3/1/68

ReCGlet dated February 5, 1968.

Set forth below is an accounting of Solo and Reserve Funds transactions during February, 1968.

Balance on hand, February 1, 1968

Solo Funds

\$138,000.13

Reserve Funds

1,143.61

Additions

Total funds

\$139,143.74

Solo Funds

None

Reserve Funds

None

Disbursements

Solo Funds

On 2/13/68 reimbursement to CG 5824-S* for out-of-pocket expenditure of \$110 to LOU DISKIN for purchase of books to be sent to CPSU

\$110.00 MAR 8 1968

(2-Bureau (RM)

2-New York (RM)

(1 - 100-128861 (CP, USA - Reserve Funds)

(1 - 100-134637 (SOLO)

1-Chicago

WAB:MDW

(5)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



98 MAR 11 1968

CG 134-46 Sub F

On 2/20/68 to CG 5824-S* for
partial expenses of Solo
Mission 25

\$653.00

Total

\$ 763.00

Reserve Funds

None

Balance on hand, March 1, 1968

Solo Funds

\$137,237.13

Reserve Funds

1,143.61

Total Funds

\$138,380.74

Location of funds - Chicago Office Territory

Solo Funds

Maintained by Chicago Office in safety
deposit box #C1362, LaSalle National
Bank, Chicago, Illinois, with access
limited to SAC and ASAC

\$110,766.55

Maintained by CG 5824-S* in safe in
his office at Arisco Associates, Inc.,
25 East Washington Street, Chicago,
Illinois

16,470.58

Maintained in Arisco Associates, Inc.,
checking account at Michigan Avenue
National Bank, Chicago, Illinois, with
access by [redacted] and CG 5824-S*

5,000.00

b7D

CG 134-46 Sub F

Maintained in Arisco Associates, Inc.,
checking account at First National
Bank of Lincolnwood, Lincolnwood,
Illinois, with access by
and CG 5824-S*

b7D

\$ 5,000.00

Total

\$137,237.13

Reserve Funds

Maintained in safety deposit box
#1349 at Mid-America National Bank,
Chicago, Illinois, in the names of
HAROLD M. JULES (CG 5824-S*) and
JACK BROOKS (NY 694-S*) with power
of attorney to enter box in name of
GENKA JULES (CG 6653-S)

\$ 1,143.61

Total

\$ 1,143.61

Total funds on hand,
March 1, 1968

\$138,380.74

ROUTE IN ENVELOPE

UNITED STATES GOVERNMENT

Memorandum

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan

DATE: March 5, 1968

1 - Mr. M. F. Row
(6221 IB)
1 - Mr. R. C. Putnam

TO : Mr. W. C. Sullivan

FROM : C. D. Brennan *UB/gh*

SUBJECT: SOLO
INTERNAL SECURITY - COMMUNIST

PURPOSE:

To recommend that Special Agent Walter A. Boyle, contacting Agent for CG 5824-S*, be authorized to proceed to point of arrival of informant into the U. S. as soon as it is known to expedite debriefing of informant.

BACKGROUND:

CG 5824-S* departed on Solo Mission 25 2/21/68. The purpose of this mission was to participate in the international conference of communist parties held in Budapest, Hungary, starting 2/29/68. Informant served as an ex-officio member of the Communist Party, USA, delegation. In addition to participating in this conference, informant received instructions from Gus Hall, General Secretary, Communist Party, USA, to finalize details on the amount of the Soviet subsidy to the Communist Party, USA, for 1968. Intelligence data developed by our informant at this conference should be of extreme interest to top officials of our Government. In view of the importance of these matters, intensive debriefing of the informant should be initiated immediately upon his arrival in the U. S. Informant must spend some time briefing top Party leaders as soon as his presence in the U. S. is known to the Party. This could cause an unnecessary delay in obtaining the intelligence data in his possession if we do not contact him first.

As in the past, Chicago has recommended, and we concur, that Special Agent Boyle should meet the informant at his point of arrival, as soon as it is known, to extract highlights of his trip as expeditiously as possible. It is

Enclosure *sent 3-6-68*

100-428091

RCP:cst
(6)

CONTINUED - OVER

6 MAR 8 1968

9 8 MAR 11 1968

Memorandum to Mr. W. C. Sullivan
RE: SOLO
100-428091

believed informant will arrive in Boston, Massachusetts, in the near future. Informant can be debriefed in a secure manner in Boston before he reports to the Party leadership in New York City. Estimated cost involved is \$204.79.

OBSERVATION:

In view of the importance of the intelligence information the informant should bring back, it is believed judicious to have Special Agent Boyle meet the informant at his point of arrival to expeditiously debrief him. Special Agent Boyle is completely familiar with the names, places, and events in the international communist movement and has, in the past, greatly facilitated the debriefing of the informant because of this knowledge. He will not depart for the informant's point of entry until specific information is received concerning the informant's date of arrival.

Attached is an airtel to Chicago authorizing Special Agent Boyle to proceed to the informant's point of arrival as soon as it is known.

RECOMMENDATION:

It is recommended that attached airtel be approved and sent.

20
Dghs ✓
WEL
OK
AS/2/72
ds

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

DATE: 3/5/68

FROM : SAC, NEW YORK (100-134637)

SUBJECT: SOLO
IS-C

Remylet, 2/5/68.

The records of the New York Office reflect the following information regarding the SOLO Funds during the period 2/1/68-2/29/68.

2/1/68 On hand as of 1/31/68 \$867,944.32

Credits

None during February, 1968.

Debits

2/19/68 To CG 5824-S* for GUS HALL. \$ 15,000.00
This money to be used for "The
Worker", CPUSA Leadership
School, and Travel Fares.

Total: \$ 15,000.00

Balance

Total on Hand as of 2/29/68 \$852,944.32

Location of SOLO Funds New York Territory

Safe Deposit box, Chemical Bank
New York Trust Company, 67 Broad
Street, New York City \$ 10,000.00

- EX-110 100-428091-6784
- 2 - Bureau (100-428091) (RM)
 - 1 - Chicago (134-46-SUB F) (AM RM)
 - 1 - New York (100-128861-SUB B) (CPUSA-RESERVE FUND) (41)
 - 1 - New York (134-91) (INV) (41)
 - 1 - New York (100-134637) (41)

JFL:gmd
(6)



98 MAR 11 1968

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

NY 100-134637

JACK BROOKS Regular Checking
Account, Chemical Bank New York
Trust Company, 20 Pine Street,
New York, New York

| | |
|----------------------------|--------------|
| Account No. 1 (001-228919) | \$ 13,259.28 |
| Account No. 2 (001-232835) | 31,507.26 |
| Account No. 3 (001-237942) | 48,677.78 |

Six blank checks (two each drawn on
the above accounts), signed "Jack
Brooks", are maintained in the safe
of the SAC of Division IV, New York.

NY 694-S* Personal Checking Account, \$ 4,000.00
Chemical Bank, New York Trust
Company, 67 Broad Street, New York,
New York

Maintained by NYC-FBI

Safe Deposit Boxes, Manufacturers
Hanover Trust Company, 69th Street
and Third Avenue, New York, New
York

\$745,500.00

Total: \$852,944.32

ROUTE IN ENVELOPE

Legat, Mexico City

3/8/68

Director, FBI (100-428091)

1 - Mr. Harrell
1 - Mr. R. C. Putnam

ARNOLDO MARTINEZ VERDUGO
INTERNAL SECURITY - MEXICO

Solo

Reurlet 2/27/68, which requested cover pages for a letterhead memorandum dated 2/5/68 at Washington, D. C., and captioned "Arnoldo Martinez Verdugo, First Secretary of the Central Committee, Communist Party of Mexico." Your letter was designated for your file 105-379 and Bufile 105-57306, which is the correct Bufile for Arnoldo Martinez Verdugo.

For your information, Bufile 100-428091 pertains to a sensitive operation which is afforded special handling at the Bureau and in the field offices involved. The cover pages you requested contain administrative data which must be held on a need-to-know basis. Such pages are not sent outside the Bureau or offices involved in the operation.

You are reminded that the Bufile used for this letter is not the Bureau file number for the subject of your inquiry.

1 - Foreign Liaison Unit (Route through for review)

RCP:cst
(6)

NOTE:

LHM sent Legat, Mexico City, contained information developed by CG 5824-S* while on Solo Mission 24. Because of the sensitive nature of the Solo Operation and since the cover pages referred to identify the source, they should not be sent outside the U. S. Legat has no need for the information contained in the cover pages. Administrative data contained in these pages is never sent to offices other than New York or Chicago, which are the only offices involved in the Solo Operation.

Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____

REC-52
EX-105

100-428091-6785

6 MAR 8 1968

98 MAR 25 1968

TELETYPE UNIT ☐

DIRECTOR, FBI (100-364081)

3/8/68

SAC, NEW YORK (100-94982)(RUC)

9/13
[REDACTED]
SM-C
(OO: WFO)

ReBulet 2/9/68, directing NYO to furnish WFO with recommendations as to how to approach the subject for development as a high-level informant.

Specific, uncomplicated recommendations on interviewing the subject would be difficult and possibly presumptuous since one must consider the response of the subject, which is difficult to foretell.

However, there are certain facts to be considered:

(1) The subject has the confidence of GUS HALL, according to CG 5824-S*, and has contacts with the personnel of the Polish Embassy.

(2) The subject, as far as can be verified, has been truthful and cooperative in his interviews with Bureau agents.

The above two steps are milestones in informant development.

Again, without being specific, it is felt that the next few contacts with [REDACTED] should be on a reasonable premise, such as an inquiry about GUS HALL, and should be directed toward exploring the extent and caliber of the subject's cooperation. When it is felt the subject is sufficiently cooperative (again non-specific), consideration should be given to asking him to ingratiate himself with the CP. This could take the form of a telegram of congratulations and a donation to GUS HALL on the advent of the new "Marxist daily" paper.

- ③ - Bureau (RM)
②-100-428091)
2 - Washington Field (100-46597)(RM)
1 - NY 100-134637-C (SOLO REPLACEMENT & NEUTRALIZATION)(41)
1 - New York (41)

JAH:msb
(7)

54 MAR 15 1968

100-428091-
NOT RECORDED

47 MAR 11 1968

b6
b7C

ORIGINAL FILED IN 100-94982-16

b6
b7C

NY 100-94982

The above are only suggestions. Needless to say, their use as guide lines should depend on the experience and judgment of the agent conducting the interview and the response of the subject.

ROUTE IN ENVELOPE

3/6/68

airtel

1 - Mr. C. D. DeLoach
1 - Mr. W. C. Sullivan
1 - Mr. C. D. Brennan
1 - Mr. R. C. Putnam

To: SAC, Chicago (134-46 Sub B)

From: Director, FBI (100-428001) — 6786

SOLO EX-125 REC-52
INTERNAL SECURITY - C

Reurairtel 2/29/68.

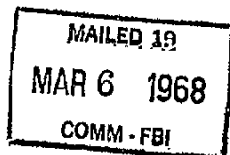
Authority is granted to send Special Agent Walter A. Boyle, contacting Agent for CG 5824-S*, to informant's point of entry into the U. S. as soon as the specific date and place of arrival are known. Debriefing of informant must be handled expeditiously and the Bureau immediately advised by teletype of pertinent intelligence data developed by the informant while on Solo Mission 25.

1 - Mr. M. F. Row (6221 IB) - *Det.*

RCP:est *est*
(8)

NOTE:

See cover memorandum C. D. Brennan to Mr. W. C. Sullivan, dated March 5, 1968, same caption, prepared by RCP:est.



Tolson _____
DeLoach _____
Mohr _____
Bishop _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

98 MAR 25 1968

ROUTE IN ENVELOPE

F B I

Date: 2/29/68

Transmit the following in _____
(Type in plaintext or code)

Via AIRTEL REGISTERED MAIL
(Priority)

TO : DIRECTOR, FBI (100-428091)

FROM: SAC, CHICAGO (134-46 Sub B)

SOLO
IS-C

As the Bureau is aware, CG 5824-S* has been abroad on Solo Mission 25 since 2/21/68. The purpose of this trip is to attend the Consultative Meeting of Communist and Workers Parties currently in progress in Budapest, Hungary, and probably to visit Moscow, USSR, to obtain the decision of the CP of the Soviet Union as to the amount and delivery of the CP of the Soviet Union subsidy to the CP, USA for the year 1968. Although the exact length of these Solo Missions is never precisely predictable, discussions with the informant prior to his departure elicited the estimate that this mission may be accomplished in about three weeks' time. Therefore, it can be anticipated that CG 5824-S* may be returning to the U.S. about 3/13/68.

While on this mission, CG 5824-S* will undoubtedly participate in meetings with many communist leaders concerning activities of the international movement, communist aid to Vietnam, and other matters of great concern to the U.S. Upon his return to the U.S.,

③-Bureau (RM)

1-New York (100-134637) (Info) (RM)

1-Chicago

WAB:MDW
(5)

REC-52

EX-105

6 MAR 11 1968

Approved: _____ Sent _____ M Per _____

Special Agent in Charge

CG 134-46 Sub B

it is customary for CG 5824-S* to spend some time briefing members of the CP, USA leadership in NYC. Consequently, intensive debriefing of CG 5824-S* should be initiated immediately upon his arrival in the U.S. to insure that the Bureau has first access to the important information in his possession without the extensive delay which might be occasioned by awaiting his return to Chicago. In addition, in order to insure completeness and accuracy of all information received from CG 5824-S*, and in order to expedite the handling and dissemination of this information in a manner most advantageous to the Government, it is considered essential that this debriefing be carried out by the contacting agent.

Therefore, the agent handling CG 5824-S* has been alerted and is prepared to take the necessary action for the initiation of immediate debriefing of this source. From past experience, it is believed that CG 5824-S* most likely will enter the U.S. at Boston, Mass., and after a brief stop there will probably proceed to NYC for conferences with the CP, USA leadership and with NY 694-S*. If the contacting agent proceeds to the informant's point of entry into the U.S., discreet and secure contact will be made there, thus enabling immediate debriefing and expeditious handling of the most pertinent intelligence information in his possession. This debriefing would then continue in NYC both prior to and during the period the informant is conferring in NYC.

RECOMMENDATION

In light of the above, it is recommended that the contacting agent, SA WALTER A. BOYLE, be authorized to proceed to the informant's point of entry into the U.S. as soon as specific information is received as to the informant's destination. If this travel is authorized, the estimated cost to the Bureau is as follows if the informant arrives at Boston and proceeds to NYC before his return to Chicago:

| | |
|--|--------------|
| Jet coach air transportation from Chicago to Boston to NYC and return | \$109.79 |
| Per diem at \$16 per day for approxi- mately five days | 80.00 |
| Ground transportation at Chicago, Boston, and NYC | <u>15.00</u> |
| Total | \$204.79 |

UNITED STATES GOVERNMENT

ROUTE IN ENVELOPE

Memorandum

TO : DIRECTOR, FBI (100-428091)

FROM : SAC, CHICAGO (134-46 Sub B)

SUBJECT: SOLO
IS-C

DATE: 3/4/68

ReBuairtel dated October 10, 1967, authorizing an advance to CG 5824-S* of \$1,193.50 for expenses of the 24th Solo Mission which took place during the period October 19, 1967, to December 4, 1967.

Set forth below is a detailed accounting of the informant's expenses during Solo Mission 24:

| | |
|---|-----------|
| First class air fare, Chicago to Prague and return | \$ 956.40 |
| First class air fare, Prague to Moscow and return | 312.10 |
| Hotel, meals, tips, transit taxes, baggage handling, ground transportation, etc., enroute and return to Chicago | 143.70 |
| Overseas telephone call on return trip to U.S. | 23.60 |
| Excess baggage charges | 38.30 |
| New unmarked luggage not previously utilized on Solo Missions | 52.40 |
| New clothing without laundry and dry cleaning marks | 136.00 |

Total

\$1,662.50

1-Bureau (RM)
1-Chicago

WAB:MDW
(3)

REC-100

MAY 12 1968



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

98 MAR 25 1968

CG 134-46 Sub B

| | |
|-------------------------------------|------------------|
| Less amount paid from Solo Funds | <u>\$ 500.00</u> |
| Paid from Bureau funds | \$1,162.50 |
| Advance of Bureau funds | \$1,193.50 |
| Expenses actually incurred | <u>1,162.50</u> |
| Refund to Bureau | \$ 31.00 |

The amount of \$31.00 has been returned to the
confidential fund of the Chicago Office.

FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

No Duplication Fees are charged for Deleted Page Information Sheet(s).

Total Deleted Page(s) ~ 1
Page 153 ~ Referral/Direct